



AGENDA

CABINET

MONDAY, 8 AUGUST 2005

10.30 AM

**COUNCIL CHAMBER, COUNCIL OFFICES, ST PETERS HILL,
GRANTHAM**

Duncan Kerr, Chief Executive

CABINET MEMBERS:	Councillor Mrs. Linda Neal (Leader/ Portfolio: Strategic Partnerships), Councillor Peter Martin-Mayhew (Deputy Leader/Portfolio: Community Safety), Councillor Terl Bryant (Portfolio: Resources & Assets), Councillor Ray Auger (Portfolio: Healthy Environment), Councillor Paul Carpenter (Portfolio: Access and Engagement), Councillor Mrs Frances Cartwright (Portfolio: Organisational Development) and Councillor John Smith (Portfolio: Economic)
-----------------------------	--

Cabinet Support Officer:	Lena Shuttlewood tel: 01476 406119 e-mail: l.shuttlewood@southkesteven.gov.uk
-------------------------------------	--

Members of the public are entitled to attend the meeting of the Cabinet at which key decisions will be taken on the issues listed on the following page. Key decisions are marked *.

1. **Apologies**
2. **Minutes**
To approve the record of the Cabinet meeting held on 11th July 2005.
(attached)
3. **Declarations of Interest (if any)**

CATEGORY A PRIORITY ISSUES:

4. ***Waste Collection Consultation**
Report number WCS7 by the Head of Waste and Contract Services.
(attached)

CATEGORY B PRIORITY ISSUES:

5. ***Local Development Framework: Issues and Options Document**
Report number PLA518 by the Head of Planning Policy & Economic Regeneration.
(attached)
6. **Planning Delivery Grant 2005/06**
Report number PLA520 by the Head of Planning Policy & Economic Regeneration.
(attached)

EXCLUSION OF THE PUBLIC

It is anticipated that, in accordance with Section 100A(4) of the Local Government Act 1972, the public may be excluded from the meeting during consideration of the following item of business because of the likelihood that otherwise exempt information, as described in paragraphs 7 and 8 of Schedule 12A of the Act, would be disclosed to the public.

7. **Extension to Northfields Industrial Estate, Market Deeping**
Report number PLA519 by the Head of Planning Policy & Economic Regeneration.
(attached)

CHANGE MANAGEMENT ACTION PLAN ISSUES:

8. ***Medium Term Financial Strategy and Budget Preparation**
Report number FIN239 by the Director of Finance and Strategic Resources.
(attached)
9. ***Procurement: Action Plan**
Report number FIN242 by the Director of Finance and Strategic Resources.
(attached)

OTHER ISSUES:

10. **Money Laundering: The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003**
Report number DLS40 by the Corporate Manager, Democratic & Legal Services.
(attached)

<p>11. Matters Referred to Cabinet by the Council or the Development & Scrutiny Panels</p> <p>12. Items raised by Cabinet Members including reports on Key and Non Key Decisions taken under Delegated Powers.</p> <p>13. Representations Received from Members of the Public on Matters within the Forward Plan (if any)</p> <p>14. Representations received from Non Cabinet Members</p> <p>15. Any other business which the Chairman, by reason of special circumstances, decides is urgent</p>



MEETING OF THE CABINET
11 JULY 2005 - 10.30 AM – 12.11 PM

PRESENT:

Councillor Peter Martin-Mayhew
Councillor Terl Bryant
Councillor Ray Auger
Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor John Smith

Councillor Mrs. Linda Neal – Leader / Chairman

Chief Executive
Director of Community Services
Director of Finance and Strategic Resources
Management Accountant
Assets and Facilities Manager
Member Services Manager
Economic & Community Regeneration Team Leader
Support Officer

Non Cabinet Members: Turner; Graham Wheat; Mary Wheat; Wilks

CO37. MINUTES

The minutes of the meeting held on 6th June 2005 were confirmed as a correct record.

CO38. DECLARATIONS OF INTEREST (IF ANY)

Councillor John Smith declared a personal interest in any item that included redevelopment of Bourne Town Centre by virtue of his membership of a club which met within the identified core area.

Councillor Paul Carpenter declared a personal and prejudicial interest in agenda item 8 – Land in Grantham – by virtue of him knowing personally a party to which the report on the item referred. He therefore withdrew from the meeting for this item.

CO39. *ECONOMIC & COMMUNITY DEVELOPMENT STRATEGY

DECISION:

- (1) To distribute the draft Economic & Community Development Strategy 2005-2008 to partners for consultation and amendment;**
- (2) The Team Leader for Economic & Community Regeneration to present the draft to scrutiny in July 2005 and to present the final copy to Cabinet for endorsement in September 2005;**
- (3) Authority be delegated to the Director of Community Services to make the following amendments to the draft strategy document prior to consultation:**
 - That the document be clearly marked as a Consultation Draft;
 - Page 5: Further research be undertaken and an estimate included on average grass roots earner income;
 - Page 10: “a” be amended to “at” on the thirteenth line;
 - Page 17: “South Kesteven District Council & The Local Strategic Partnership” – first line to include reference to member input in the development of the strategy and the fourth line to be rewritten to clarify that the action plan will be updated annually;
 - Page 18: “Enabling & Developing Sustainable Communities” be amended to “Encouraging Communities to Become Sustainable” and subsequent sentence to be revised;
 - Timescales be included in the Economic Development Action Plan.

Considerations/Reasons for Decision:

- (1) Report number PLA514 by the Head of Planning Policy and Economic Regeneration presenting the Economic & Community Development Strategy for South Kesteven for 2005-2008 for consultation;**
- (2) The draft Economic Development Strategy seeks to support and develop the local economy of South Kesteven, which would contribute to the quality of life within the district. Town centre redevelopment, regeneration and Grantham as a sub-regional centre is a category A priority for the Council;**
- (3) Information provided within the draft strategy on national, regional and local economic issues.**

CO40. *GRANTHAM TOWN CENTRE - EAST STREET AND WELHAM STREET CAR PARKS

DECISION:

- (1) To authorise the Director of Community Services to obtain competitive tenders for the construction of a multi-storey car park on the existing Welham Street Car Park;**
- (2) To approve expenditure of £37,000 outlined in paragraph 4.1 of report**

number DCS24 by the Director of Community Services to complete the survey work and the Traffic Impact Assessment;

(3) To submit an outline planning application for the construction of the multi-storey car park on the Welham Street site;

(4) To authorise the Director of Community Services to obtain competitive tenders for the immediate demolition of the buildings on the East Street Site. Cabinet to review approval should the lowest tender submitted be substantially higher than £400,000;

(5) To approve expenditure of £55,000 for the temporary surfacing and layout of an open car park on East Street once tenders have been accepted for the construction of the car park on Welham Street;

(6) To defer the sale of Watergate Car Park until further consideration can be given to this matter in the future.

Considerations/Reasons for Decision:

- (1) Report number DCS24 by the Director of Community Services detailing the feasibility of moving forward with the development of Welham Street and East Street car parks;
- (2) Cabinet's identification on 11th April 2005 of the retention of Watergate car park, sale of East Street and development of Welham Street car park as the preferred option subject to the outcome of a feasibility study;
- (3) Preliminary findings of a traffic impact study reported at the meeting by the Director of Community Services, which indicated that the current road alignment would not be substantial;
- (4) Welham Street as a multi-storey and East Street as a temporary open car park would provide estimated car parking spaces of 345 and 200 respectively;
- (5) Two-level tendering for the demolition of buildings on the East Street site to enable review of expenditure and impact on the value of the site;
- (6) Business rates would be reduced significantly for the East Street site following demolition of buildings;
- (7) Minutes of the meeting of the Grantham Town Centre Management Partnership on 4th July 2005 supporting report number DCS24 but with additional recommendations in relation to the development of Welham Street Car Park.

Other options considered and assessed

To sell the East Street site immediately.

As the report identified, this was rejected because it was thought necessary to provide alternative provision on East Street for car parking during the construction of the multi-storey car park on Welham Street. A cost benefit analysis showed that estimated income from the proposal would be £35,000 in a full year rising to an estimated £80,000-£100,000 once Welham Street is closed. The cost of demolition at East Street will be recovered when sold for development.

CO41. *TOWN CENTRE ACTION PLAN: CONSULTATION DRAFT

DECISION:

To publish the Draft Town Centre Action Plan for consultation purposes, prior to re-presentation to Cabinet, subject to amendments discussed previously with the officers and the following:

- Each page be clearly marked as a Consultation Draft;
- Page iii: "timescales" be omitted;
- Page 1: first line - "subject to review" to be inserted after "Town centre development and enhancement" and "subject to annual review" be inserted at the second paragraph after "activities over the coming years";
- Terms of Reference of the Town Centre Management Partnerships be updated to include reference to the current Development and Scrutiny Panels and any incorporation of Stamford Vision;
- New Terms of Reference for Stamford Vision be included when adopted;
- Appendices two and six and any reference to them throughout the document be removed.

Considerations/Reasons for Decision:

- (1) Report number PLA508 by the Head of Planning Policy and Economic Regeneration presenting the draft Town Centre Action Plan for referral to consultation, prior to re-presentation to Cabinet;
- (2) Exemplar approach undertaken by Stamford Vision moving to become established as a company limited by guarantee using the model of a Community Interest Company. This requires the company to produce a detailed community statement, which could be used as a basis for the remaining Town Centre Management Partnerships in the district. Town Centre Co-ordinators will become employees of the companies. Companies will be able to draw down, bank and manage its own finance;
- (3) Relevant Heads of Service have been working together on the Town Centre Action Plan elements of the spending plan for the Planning Delivery Grant.

CO42. LINCOLNSHIRE ASSEMBLY

DECISION:

To note the position regarding the Lincolnshire Assembly and await the minutes of its first meeting.

Considerations/Reasons for Decision:

- (1) Report number DCS25 by the Director of Community Services informing on an identified need for a strategic partnership body to promote and co-

ordinate joint working across Lincolnshire. The Lincolnshire Assembly had been established in response to this;

- (2) A paper prepared by Lincolnshire County Council as considered by the Lincolnshire Local Government Association and the terms of reference of the Lincolnshire Assembly appended to the above report;
- (3) Feedback from a Cabinet member on attendance at the first meeting of the Assembly as an observer and awaited minutes from this meeting.

EXCLUSION OF THE PUBLIC

In accordance with Section 100A(4) of the Local Government Act 1972, it was resolved that the public be excluded because of the likelihood in view of the nature of business to be transacted that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 7,8 and 9 of Schedule 12A of the Act. With the public excluded, the following two items were considered.

CO43. *TOWN CENTRE ACTION PLAN: CAPITAL PROJECTS

DECISION:

To defer consideration of this item to allow submission of a further report.

Considerations/Reasons for Decision:

- (1) Exempt report number PLA509 by the Head of Planning Policy and Economic Regeneration accompanying report PLA508 considered above and setting out a broad indicative profile of expenditure and receipts over the term of the Town Centre Action Plan and thus the financing of land acquisition;
- (2) Further discussions required with a Town Centre Management Partnership on the increased anticipated costs of a particular project.

CO44. *LAND IN GRANTHAM

DECISION:

To proceed with the purchase of land in Grantham identified in the plan appended to report DOS289 by the Management Accountant, subject to the terms and price agreed by the District Valuer.

Considerations/Reasons for Decision:

- (1) Exempt report number DOS289 by the Management Accountant detailing the position regarding the potential purchase of land in Grantham.

CO45. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.

Non Key Decisions

(1) Councillor Peter Martin-Mayhew

Decision: That approval be granted to transfer the land and buildings at Newton Court, Colsterworth (3,070m²) to Muir Group Housing Association Limited at District Valuer's valuation with the District Council granting the Association financial assistance in respect of the whole purchase price in accordance with S.25 of the Local Government Act, 1988 and the General Disposal Consent 2005, to develop 10 bungalows for rent in partnership with SKDC. The Council to have 100% nomination rights to the bungalows as prescribed in the nomination agreement for this site. To salvage all equipment, furniture and fittings to be used at other sheltered schemes.

[Decision made on 11.07.05]

(2) Councillor John Smith

Decision: That approval be given to the name of ROCK COURT for the development to the rear of Nos. 17 & 18 Scotgate, Stamford to provide a new postal address for the new residential development.

[Decision made on 11.07.05]

Decision: That consultation and advertisement be undertaken with a view to producing a shopfront design guide for Bourne.

[Decision made on 04.07.05]

Decision: That approval be given to the following names in order to provide new postal addresses for new residential developments within the district:-

1. COLTSFOOT DRIVE, DOG-ROSE DRIVE, HEATHER COURT, PERIWINKLE WAY, PIMPERNEL WALK and WATER-LILY WAY for phase 3 of The Pollards Development at Elsea Park off South Road, Bourne;
2. BOUNDARY TERRACE for the development on the former Three Tuns Car Park, Bridge Steet, Deeping St James and
3. THE CHASE for the development at Old Post Office Farm, Billingborough Road, Horbling.

[Decision made on 04.07.05]

Decision: To approve the restricted tender list of the four companies listed below as advised by the Council's specialist consultant Capita Symonds for remediation works to Wharf Road Car Park, Stamford:-

- a) Mowlems Remediations Ltd, Doncaster
- b) Morrison Construction Services Ltd, Sutton Coldfield
- c) VHE Construction plc, Leeds
- d) Edmund Nuttall Ltd, Newcastle-upon-Tyne.

[Decision made on 04.07.05]

DATE DECISIONS EFFECTIVE

Key and Non key decisions made on 11th July 2005 can be implemented on 20th July 2005 unless subject to call-in by the relevant Development and Scrutiny Panel.

South Kesteven District Council, Council Offices, St. Peter's Hill, Grantham, Lincolnshire NG31 6PZ

Contact: Cabinet Support Officer- Tel: 01476 406119
e-mail I.shuttlewood@southkesteven.gov.uk

REPORT TO CABINET

REPORT OF: Garry Knighton – Head of Waste and Contract Services

REPORT NO. WCS7

DATE: 8 August 2005

TITLE:	Waste Collection Consultation
FORWARD PLAN ITEM:	Waste Collection Arrangements
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	16.06.05 Listed under issue: Future of Recycling Strategy
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Future Policy Framework Proposal

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Ray Auger – Portfolio Holder from Healthy Environment
CORPORATE PRIORITY:	Recycling
CRIME AND DISORDER IMPLICATIONS:	N/A
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available and can be access via the Local Democracy link on the Council's website: www.southkesteven.gov.uk
BACKGROUND PAPERS:	Cabinet Private Briefing of 25 July 2005

1. SUMMARY

Following a previous Cabinet report with reference to the necessary changes to waste collection, this report aims to advise the Cabinet of the consultation exercise proposed to establish the desires of the public.

2. RECOMMENDATIONS

- a) In order to identify the method of waste collection wanted by the residents of the district, an extensive period of consultation is recommended. The consultation will involve discussion with the residents of the district through Parish Councils and Local Area Assemblies.
- b) A fact-finding visit by cabinet and members of the working group to Newark and Sherwood District Council,
- c) That once approval being given to the new scheme, a trial is carried out before full implementation.

3. DETAILS OF REPORT

The DSP has already recommended to the Cabinet to change waste collection to a twin-bin system. This method gives all households two bins, one being for refuse, the other for recyclables, and each would be collected alternately.

Though a brief questionnaire has been placed in the local press, it is recognised that a more in depth consultation is required. This will allow a strong gauge of the public opinion and also to engage the public in any future changes made.

Direct Public Consultation

Questionnaires have been distributed to all the local newspapers, though these were very vague in their questions. This provides some initial feedback, but further consultation is required.

In order to approach the public directly, it is intended to use:

- Local Area Assemblies throughout September and November 2005
- Parish Council meetings through presentations and written questionnaires
- SKToday – extensive article with feedback forms

Questions Tackled

The consultation is meant to highlight the wishes of the public, and covers:

- Refuse collection containers – bags or wheeled bins
- Recycling collection containers – boxes or wheeled bins

Questions are to discover the publics' choice between the two following options:

- Alternate weekly collections using wheeled bins
- Alternate weekly collections using black bags for refuse and boxes for recycling

Examples of questions would be:

'Which of the two above do you prefer for your waste collection?'

'What reasons do you have for choosing this option?'

Each option would explain the future recycling predictions.

Other Stakeholders

Other Local Authorities will be approached and visited to understand their workings, and learn how they have overcome some problems and issues. With many authorities adopting variations of all of the above, consultations with them will highlight possible difficulties for the future. Two authorities that have already offered to be of assistance, allowing visits to their offices, are North Kesteven District Council and Newark and Sherwood District Council.

Access to a waste collection website will be maintained as this gives a quick reference to what other authorities are doing, with contact details.

Health and Safety

With increasing knowledge of industrial injuries, and the responsibilities of employers to protect staff from such dangers, there is an onus on the Council to consider the potential risks to collection staff using both bags and boxes. Research is being conducted by the Health and Safety Executive to identify the actual risks, and the results, once available, will need to be considered in the long-term.

Trials

To fully appreciate the difficulties of introducing an alternative weekly collection, a trial will be run. This will take place either in the Eco-Villages (should the funding application be successful), or in a town, such as Stamford.

The trial will allow problems to be highlighted and rectified before the scheme is offered to all residents.

4. CONCLUSIONS

Using all of the above methods to liaise with the public will not only provide valuable feedback as how to take waste collection into the future, but will have a positive impact on the publics view of waste collection in the future. If residents are included

into the decision making process they are then able to understand the reasoning behind any decision made, and adapt as necessary. Making any change to waste collection will affect every householder within the South Kesteven district, and to guarantee the changes are well received, a consultation exercise is the first step of the steep learning curve needed.

9. CONTACT OFFICER

Garry Knighton - Head of Waste and Contract Services
Extension 6276

REPORT TO CABINET

REPORT OF: Head of Planning Policy and Economic Development

REPORT NO. PLA 518

DATE: 8th August 2005

TITLE:	Local Development Framework - Issues and Options Consultation Paper
FORWARD PLAN ITEM:	Yes
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	17 th May 2004
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Key Decision

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Cllr John Smith Economic Portfolio
CORPORATE PRIORITY:	Town Centres (1) Planning and conservation and affordable housing (2)
CRIME AND DISORDER IMPLICATIONS:	minor
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available via the Local Democracy link on the Council's website: www.southkesteven.gov.uk
BACKGROUND PAPERS:	Lincolnshire Structure Plan (Adopted and Deposit Draft) Regional Planning Guidance Planning and Compulsory Purchase Act 2004 PPS12 South Kesteven Local Development Scheme March 2005 South Kesteven Statement of Community Involvement (Draft) (May 2005)

1. INTRODUCTION OR SUMMARY

1.1 This report outlines proposals for the publication of an Issues and Options Consultation Paper as the first stage in the preparation of the two key planning policy documents which will form part of the Local Development Framework. These policy documents are the "Core Principles of Development and Location Strategy" and the "Housing and Economic Development DPD"

1.2 The report also outlines the first stage in the Strategic Environmental Assessment / Sustainability Appraisal (SEA/SA) process which will be ongoing throughout the preparation of all the LDF documents. The first public stage in this process is the publication of a "Scoping Report" for consultation.

1.2 The suggested text for the Issues and Options paper is appended to this report. Options for the format of the document are being investigated and will be presented to the Cabinet for consideration at the meeting on 8th August.

2. RECOMMENDATIONS

2.1 The Cabinet is recommended to approve:

- The issues and options outlined in this report for inclusion in the Issues and Options consultation document;
- The overall wording of the document (as set out in Appendix A to this report) subject to minor corrections and changes in the wording as may be required. Final approval of the format and wording of the documents (s) for publication be delegated to the Economic Development Portfolio holder and the Head of Planning Policy and Economic Regeneration.
- That arrangements are put into place to begin public consultation (in accordance with the Regulations) on the Issues and Options Paper as soon as all published material is ready.

2.2 Cabinet is also asked to note the progress made with the SEA/SA of the LDF and to endorse the publication of the findings of the Scoping Report for consultation alongside the Issues and Options Paper.

3. Background

3.1 The Council intends to prepare the first two policy documents of the LDF in tandem. These documents which will be called the "Core Principles of Development and Location Strategy" and the "Housing and Economic Development DPD" will provide the main development planning policies and the site specific allocations and will therefore supersede most of the current adopted South Kesteven Local Plan.

3.2 Members will be aware from previous reports about the LDF that a key part of the new system is greater community involvement early in the plan making process. To this end the Act (through the Regulations) sets out minimum consultation requirements. It also requires that the Council prepares a Statement of Community Involvement (SCI) which should demonstrate how, when and why the Council will involve the community in its plan making. Once adopted the Council must ensure that it follows the consultation procedures which it has set out in its own SCI. Consultation on the Draft version of our SCI ended in June of this year. A large number of detailed comments and suggestions have been made about the SCI and it is likely that it will need to be substantially re-written before being submitted to the ODPM as the Councils "final version". In the meantime consultation on DPDs prepared before the SCI is adopted must at least meet the minimum requirements set out in the Regulations. Good practice advises that the Council should go beyond these minimums, and should actively seek the involvement of all sectors of the community.

3.3 The first "public" stage in preparing new development plan documents (DPDs) is the publication of "issues and options" for consultation. The idea of consulting on issues and options is to gain a consensus about the main issues likely to affect the district over the plan period (in our case until 2021) and to identify issues which may not have previously been considered by the Council. It is also an opportunity to consider possible options for addressing these issues. Involvement of the community at this early stage gives communities the opportunity to influence the way policy is shaped and the sort of sites which are identified for allocation. It is also felt that early community involvements will help reduce the overall scale and nature of formal objections to the plan at the later "formal consultation" stage.

3.4 To meet the minimum requirements in Regulation 25 the council must undertake pre-submission consultation with each of the specific consultation bodies listed in the regulations where the council considers the subject of the LDDS affects that body and any of the general consultation bodies which the council thinks are appropriate for that particular document.

3.5 To ensure that we reach further and actively engage with the community it is suggested that a number of forums are arranged to which individuals and groups will be invited. It is suggested that these forums are topic and location specific as a means of focusing upon specific issues. Forums should also be held in different parts of the district to ensure involvement across the district.

3.6 The issues which have been identified for consideration now are a combination of work undertaken on the previous Local Plan Review and more recent information emerging from national, regional and strategic planning policy. In particular the emerging Lincolnshire Structure Plan and the Regional Spatial Strategy, together with the research involved in the preparation of a variety of

background documents, including: retail capacity study; urban capacity study; strategic Flood Risk Assessment; Housing needs Survey and the work of the Town Centre management Partnerships.

3.7 Officers are currently looking into the most appropriate and cost effective way of presenting the Issues and Options information. Because of the amount of information included it may not be practical to include it all on a single fold out leaflet, it may therefore be more practical to include the information as "topic" sheets within a folder or as a booklet. In addition to the information on the Issues and Options, a number of questions have been posed to focus the readers attention on the issues we are trying to address. It is hoped that further information about the format of the consultation material (and maybe some examples) can be provided to the Cabinet at their meeting on the 8th of August. It is essential however that the published material is user friendly, informative and at the same time eye catching enough for people to want to read it! In the context of the new planning system this in itself presents a challenge.

3.8 At the end of March this year the Government Office for the East Midlands (GOEM) approved the district councils' Local Development Scheme (LDS). This document sets out which Development Plan Documents (DPDs), Local Development Documents (LDDs), Action Area Plans (AAPs) and Supplementary Planning Documents (SPD) will be prepared to form South Kestevens LDF. The LDS also set out the proposed timetable for each main stage in the production of each document.

3.9 The Council set out to prepare its "Core Principles of Development and Location Strategy" and "Housing and Economic Development DPD" in tandem and had proposed to publish the Issues and Options consultation in May or June this year. Due to other priorities and continuing difficulties appointing qualified staff this goal has not been met, but work has progressed. If the Issues and Options outlined in this report are approved it is hoped that consultation on this document will begin before the end of August.

4. DETAILS OF ISSUES AND OPTIONS IDENTIFIED (a full version of the text for the Issues and options is attached to this report at Appendix A)

4.1 Preparation of the new LDF must be set within the context of national, regional and strategic planning guidance. It is important therefore to set out at the beginning that we do not start with a blank sheet. A number of key Issues have already been established by other authorities. The most important of these are the:

- Principles of Sustainable Development and developing sustainable communities (PPS1, PPG3, PPS7, PPS12, RSS and Lincolnshire Structure Plan)
- District housing requirements - currently set out in the emerging Structure

- Plan, but will in the future be established at the regional level in the Regional Spatial Strategy (RSS)
- Importance of re-using brownfield land (national and regional target of 60% new housing on brownfield land)
- Established sequential approach to the location of development (PPG3, PPS6, RSS8 and Lincolnshire Structure Plan)
- Need to review and de-allocate (or re-allocate) undelivered and under-performing employment allocations (RSS8 and Structure Plan)

4.2 The LDF must also reflect the objectives and aspirations of the Councils own corporate policies and those of the Local Strategic Partnership (and its Community Strategy) and the two Sub-regional Strategic Partnerships. To do this a draft LDF vision and 11 LDF objectives have been prepared which endeavour to reflect the Councils own vision and that of the LSP within the context of national objectives for sustainability and spatial planning.

Draft Vision for the LDF

“The LDF will help to make South Kesteven a safe, healthy and desirable place in which we live and work by:

- *Creating the right balance of jobs, housing and infrastructure whilst maintaining a high quality natural and built environment.*
- *Addressing the need for and the location and the form of development to develop sustainable and attractive communities where people want to live, learn, work and play.*
- *Addressing the development needs of the district through appropriate and sensitively designed and located development which will ensure that the district continues to prosper both economically and socially.*
- *Protecting and improving the built and natural environment of the district to encourage local distinctiveness, promote greater biodiversity and provide for healthier lifestyles”*

Draft Objectives

- To facilitate a sustainable pattern of development that meets the diverse economic, social and cultural needs of the whole community in a manner which ensures that development does not irreparably damage the environment or compromise the quality of life of existing and future generations.
- To contribute towards a more sustainable pattern of development by locating new development mainly in the four towns where public transport is or can be provided.
- To make effective use of land by maximising the amount of development on previously developed sites in locations which reduce the need to travel.
- To make provision for an adequate supply and choice of land for new housing, employment and other necessary development to meet the needs of

the district to the year 2021, in accordance with the requirements of the Structure Plan and the RSS

- To ensure that new housing offers a mix and range of types of housing to meet the variety of housing needs, especially the need for affordable and local need housing in the district
- To ensure that the community benefits from new development through the provision of on and off-site contributions to community infrastructure costs, including where necessary and appropriate facilities for leisure, open space, health, education, affordable housing, transport and the arts.
- Improve accessibility to jobs, houses and services, and to reduce traffic growth by ensuring choice to use public transport, or walk or cycle for as many journeys as possible
- To protect the environment from significant harm and ensure adequate mitigation where appropriate
- Promote the conservation and enhancement, sensitive use and management of the district's natural and cultural assets
- Ensure that development and its occupiers are not at risk from flooding and that it does not increase the risk of flooding to other people or property.
- Promote the prudent use of finite resources and the positive use of renewable resources through the design, location and layout of development and by optimising the use of existing infrastructure.

4.3 Having established the context for the LDF consideration needs to be given to the Issues and Options which have been identified. As the LDF is a "spatial plan" Issues have been identified on both a topic by topic basis and on a settlement basis (for the four towns).

Issues Identified include:

- Sustainable Development

What makes a village or town sustainable? Following on from work undertaken as part of preparing the Interim Housing Policy we are asking what facilities people think are essential or desirable if a settlement is to be considered sustainable.

Where should most new development be located? Should most new development be located in the towns, the larger villages, small rural villages or the countryside?

The sequential approach in South Kesteven:

1. **Brownfield sites in Grantham, Stamford, Bourne and Deepings**
2. **Underused greenfield sites within the four towns**
3. **Town extension sites (probably greenfield) in Grantham (and Stamford, Bourne and Deepings if necessary)**
4. **Brownfield sites within local service centres**
5. **Greenfield sites within local service centre**

Do you agree?

Brownfield or Greenfield development - what should we concentrate on?

- Housing development

Where should affordable housing be built?

Should private developers be expected to provide affordable homes?

Should affordable housing development be subject to same restrictions as market housing?

In the towns - should all new homes be built on brownfield sites if available?

Should new housing close to the town centres make best use of land by building flats or smaller houses with no or limited parking?

No new housing is required in the rural areas - do you agree with the approach set out in the Interim Housing Policy to address this?

If more housing is allowed in the villages what sort of housing should it be?

- Employment development

Should new employment be encouraged to locate in the town centre, edge of centre, as an extension to the towns, in the larger villages or anywhere?

Should we encourage employment development in the rural areas where it may sustain local communities?

Should sites be identified for specific employment uses?

Sites which have been allocated for 5+ years should be de-allocated?

Should CPO powers be used to achieve the development of employment land?

- Town Centres

Should we identify the limits of the town centres?

Should specific sites for new retail development be identified?

What sort of development should take place in the town centres?

Should areas of town centres be restricted to certain uses?

- Recreation, Leisure and Tourism

Is there a need for more recreation leisure and tourist facilities in the district?

Should the LDF protect recreation sites (including allotments) from development?

- Natural Environment and the Countryside

Should we consider ways of conserving the quality of the countryside as a whole and not just those areas with special designations?

Should more emphasis be placed on a local assessment of landscape character aimed at protecting and improving local distinctiveness throughout the District?

Should we continue to protect open sites in and around the towns and villages?

Which open areas of land in and around our towns and villages should be protected from development?

Should we have additional policies to protect the wider environment from the consequences of development? E.g. Flood risk and attenuation, pollution and contamination.

Should we have additional policies to promote renewable energy (e.g. wind, solar power etc)?

- Built Environment

Should the LDF contain policies to promote good design and promote local distinctiveness?

Are there areas of our towns and villages which require special protection? Why and where?

- Infrastructure Provision by Developers

Should the Local Plan include policies which ensure that adequate developer provision or contribution is made in respect of demands arising from major developments?

Should all new housing developments make a contribution to infrastructure improvements? For example a roof tax?

What type of community facilities and services should be sought from developers?

(Please tick as many as you wish)

- 1 Affordable housing
- 2 Recreation and open space

- 3 *Highway*
- 4 *Education*
- 5 *Healthcare*
- 6 *Public transport*
- 7 *Recycling facilities*
- 8 *Other suggestions*

As a spatial plan it is important to consider these issues holistically to see how they affect the whole settlement, therefore a separate section is included for each of the four towns which combines the major issues affecting the.

Grantham

The town is identified in the Regional guidance as a “sub-regional centre” Despite concerns about reductions in medical care facilities and slow progress being made to resolve traffic congestion the town has the best social, community and physical infrastructure of any of the districts four town it is considered to have the potential to take on a stronger sub-regional role. To fulfil this role it is intended that Grantham should accommodate the major share of additional housing and employment development over the next 15 years and should expand the range of service and opportunities it provides the wider community.

The Structure Plan requires that 3800 new homes should be built in Grantham (2001 - 2021). Since 2001 670 homes have been built and a further 1172 have planning permission. The urban capacity study revealed that about 1500 new homes could be built on the larger brownfield sites, such as: Impress metals, Springfield Road; etc

If all the houses expected are built, new land would still need to be identified in the town for 450 houses. There are very few opportunities for large greenfield development within the town without the loss of important open spaces, it is therefore likely that urban expansion land will need to be identified to meet this need.

There is a shortfall in readily available employment sites in Grantham on which new and relocating businesses can develop. The LDF must address this issue by providing for a range of sites both within and on the edge of the town to meet the demand. It will be essential to prove that sites are deliverable before being allocated in the LDF.

The location of the town and its identification as a sub-regional centre makes it a suitable location for the development of research and development sectors and makes it ideally place for the development of a business centre. There is also a particular shortage in the town of land for small start up business units which should be addressed in the LDF. A number of the sites identified in the urban capacity study for housing are currently in employment use. The Council needs

to decide whether these sites should remain available for employment or whether it would be better to redevelop these sites for housing and identify replacement land for employment uses on the outskirts of the town.

Traffic congestion within the town is a problem which is exacerbated by the restriction of east - west movements (particularly on the A52 Boston-Nottingham route) through the town centre. The County Council (as Highway authority) is committed to undertaking a study and review of the traffic issues within Grantham particularly the east - west movements with a view to recommending how this can best be addressed. The District Council believes that the only resolution to the problems of east-west movements is the development of a bypass or relief road. Development of such a road is unlikely to be publicly funded and is only likely therefore to come about as part of a major development scheme which will fund part or all of a new road.

Options for Development

1. What new use should be made of old employment sites within Grantham?

Mostly housing

Mostly employment

Mixed uses (e.g. housing, employment, commercial, retail)

Depends on its location and surrounding use

2a. If greenfield extension sites are needed for either housing or employment development should we concentrate on:

- *One location only or*
- *2 - 3 locations?*

2b. If so which ones?

- *West of the town at Poplar Farm (Barrowby Gate)*
- *North of the town between Gonerby Hill Foot and Great Gonerby or Manthorpe and Belton*
- *East of town between A52 and the A607**
- *South of the town between the A607 and A1**
- *West of the A1 opposite the new hotel and pub development on Harlaxton Road*

**Note these would include a proportion of brownfield land*

2c. Should urban extension sites be for a single use such as housing (and associated facilities) or should they be developed for a mix of uses incorporating housing, employment, commercial and local services?

3a. Should the Council promote an east-west relief road which will be largely

dependant upon private development (for housing and employment) funding?

3b. If so where should this route go?

4. Which parts of the town centre should benefit from redevelopment and which bits should remain undisturbed?

5. What sort of development do you wish to see in the town centre?

6. How could the town centre be improved?

7. Should a special policy designation be made for the Downtown Development at Gonerby Moor, to focus and strengthen its role as a retail centre?

Stamford

The Council is keen to ensure that Stamford maintains its role as a locally important employment and service centre, but at the same time is aware of the need to protect its unique historic character and prevent irreversible damage to its setting.

The Structure Plan groups Stamford with Bourne and the Deepings in terms of housing development. Within the group some 3500 dwellings should be built during the plan period (2001-2021). Much of this is already accounted for by houses built and those with planning permission (particularly within Bourne). Urban capacity (brownfield) land has been identified for about 500 new homes. Some of this is however currently in use and would only become available if the current owner wished to move or redevelop the site.

The Council is aware that there is a shortage of readily available employment land within Stamford. Much of that which is allocated is on the east of the town and is constrained by poor access. The identification of employment sites which can be delivered is a priority for the Council if it is to meet its objectives. Stamford is well located in the national road network and benefits from a high level of demand for employment land which is currently largely unmet. This issue must be addressed within the LDF.

Stamford Vision is currently looking into the feasibility of a new road link which would open up this east part of the town and provide much improved access from the east onto the A1. This road is unlikely to be publicly funded however. Its development will only come forward therefore if sufficient land is identified for development (both housing and employment) to yield the road as a planning gain.

Stamford Vision has also assessed the feasibility of an area of the town north of the River Welland to the east of the town centre known as the Welland Quarter. This site is considered suitable for a major mixed use redevelopment scheme

comprising housing, employment, commercial and recreational uses.

Options for development

- 1. Should new development be restricted to that which is essential to meet the needs of the town for housing and employment?*
- 1b. Should affordable housing be allowed to be developed on sites which might not normally be acceptable for market housing?*
- 2. Should development be concentrated within the existing built up area of the town on brownfield sites?*
- 3a. If the town were to expand outwards where should this be located?*
 - *West of the town up to the A1*
 - *North of the town*
 - *East of the town*
 - *South of the town*
- 3b. Should development on these extension sites be limited to one use (such as housing or employment development, or should they be used for a mix of uses.*
- 4. Do you support the redevelopment of the Welland Quarter for a mixed use development?*
- 5. Do you support the idea of a new road link for the east of the town to the A1?*
- 6. Which parts of the town centre need improving if any?*
- 7. What sort of development would you wish to see in the town centre?*
- 8. Are there any open spaces within the towns which you feel should be protected and /or enhanced?*

Bourne

Bourne has seen rapid expansion of the town and its population over the last few years. This is due primarily to the development of Elsea Park to the south west of the town. This site has planning permission for in the region of 2000 houses, a primary school, and local service centre and employment development. The site will also yield a new road from the A15 west to the A151 towards the A1. Elsea Park is considered sufficient to meet the needs of the town in terms of housing development for the foreseeable future. However the encouragement of new employment opportunities and redevelopment of the town centre are considered vital to meet the needs and demands of the planned growth in population.

Currently employment land is allocated on the eastern side of the town, however much of this land has proved to be either unsuitable or undesirable to modern employers. Demand for land and premises in Bourne is strong, however there is a shortage of suitable and readily available sites. New attractive and deliverable sites must be identified in the LDF if Bourne is to achieve the right balance of homes to jobs to allow it to develop as a self-contained town.

Plans for the redevelopment of the town centre are in preparation and a preferred developer for the area has been selected by the Council. The redevelopment scheme incorporates retail and commercial development as well as some housing development within the town centre.

Options for development

1. *Should new housing development (not sites which have permission already) be:*
 - *Limited to affordable housing schemes only*
 - *Restricted to brownfield urban capacity sites only*
 - *Allow for new development on both brownfield and greenfield sites within the existing built up area only?*
2. *Where should new employment land be identified?*
 - *Within the town on brownfield redevelopment sites*
 - *On new sites to the east of the town with associated improved access*
 - *Sites to the South east of the town opposite Elsea Park*
 - *Sites on the northern edge of the town on the A15?*
3. *How could the town centre be improved?*
4. *What sort of development would you wish to see in the town centre?*
5. *Are there any open spaces in the town which should be protected and /or improved?*

The Deepings

The population of the Deepings has grown over the last 10 year over 30,000 the majority of this growth has been fostered by the major expansion of Peterborough. The high level of in-migration over the last twenty years has resulted in a much younger age structure and momentum for further growth through natural increase.

Despite the size of population of the Deepings it does lack the kind of town centre with the range of commercial and retail activity that is characteristic of towns of this size. There have been several major improvements in recent years to the towns facilities including a by-pass, a major food store and a health centre. The Deepings has also been highly successful in attracting new employment and

there is evidence of continuing demand for factory space there. The District Council is keen to meet this demand to promote a better balance of homes and work opportunities.

The Regional Spatial Strategy promotes a restriction of further housing development in this southern part of the district as a means of reducing car travel to Peterborough, this is reflected within the Structure Plan housing requirement for the Deepings (which is included in the “other urban areas” including Bourne and Stamford). Completions and commitments at the end of March 2005 totalled xxx and urban capacity sites have been identified for about xxx new houses. There is little scope for any additional housing development in the Deepings within the restrictions of the Structure Plan and the current RSS. However because this area is attractive to those people relocating from Peterborough there is an issue within the Deepings about the lack of affordable housing. Without new market housing it is difficult to see how this issue might be addressed.

Options for Development

Should new housing development (not sites which already have planning permission) be:

- *Limited to affordable housing only*
- *Restricted to brownfield urban capacity sites only*
- *Allow for a limited amount of new development on both brownfield and greenfield sites within the existing built up area only?*

Where should new employment land be identified?

- *On new sites to the north of the town south of the bypass*
- *Area around Northfields*
- *?*

How could the town centre be improved?

What sort of development would you wish to see in the town centre?

Are there any open spaces in the town which should be protected and/or improved?

If additional housing and employment development is required in the future, do you think land south of the River Welland should be considered?

5. STRATEGIC ENVIRONMENTAL ASSESSMENT AND SUSTAINABILITY APPRAISAL (SEA/SA)

5.1 The Planning and Compulsory Purchase Act 2004 (PCPA 2004) requires that the preparation of the LDF includes an assessment of the

sustainability of the policies and proposals included within it. A Strategic Environmental Assessment (SEA) is also required by European Directive, however the PCPA 2004 allows for both assessments to be undertaken together. The council has commissioned an external specialist in this field to facilitate our work on the assessment.

- 5.2 The appraisal work is iterative and therefore ongoing throughout the plan making process. However reports must be made and published for comment at each of the formal consultation stages. The first stage is the publication of a Scoping Report which should coincide with the publication of Issues and Options. The Scoping Report sets out the sustainability framework, including the objectives which will be used to assess the plan throughout the process. This first phase in the process also identifies key sustainability issues for the district which are derived from the baseline evidence collected. The Sustainability Issues identified for South Kesteven are summarised in Appendix B to this report. **TO FOLLOW**
- 5.3 The PCPA2004 requires that English Heritage; English Nature; The Environment Agency and the Countryside Agency are consulted on the SEA/SA at each stage. In addition it is advised that other relevant bodies and groups should also be consulted. As part of this process it is suggested that the Scoping Report be prepared and made available in the same way as the Issues consultation documentation and that a short list of relevant local bodies be specifically asked to comment on the Report. All other individuals and groups on the consultation database should be informed of the SEA/SA process and the availability of the Scoping Report.

6. CONCLUSIONS

6.1 The publication for consultation of Issues and Options is the first formal stage in which the community is invited to be involved in the plan making process.

6.2 Issues and options have been identified for the main topic areas and the four towns of the district. Together these Issues and options will form the first stage in the preparation of the two main planning policy documents which will supersede the adopted South Kesteven Local Plan.

6.3 The Issues and Options should be published for a six week consultation period in accordance with regulations 25 of the Planning and Compulsory Purchase Act 2004. Consultation should begin as soon as all documentation is printed and available for distribution. In addition a series of forums to which the community will be invited should be arranged to discuss the issues and options identified.

6.4 The full draft text for the Issues and Options is attached at Appendix A to this report. This will be used to produce publication material which is user friendly, informative and eye catching.

6.5 In accordance with the Requirements of the PCPA 2004 a Scoping Report of the SEA/SA of the LDF will also be published for comment. An overview of the sustainability Issues identified through this process will follow as Appendix B to this report. A full copy of the Scoping Report will also be made available for Members in the Members Lounge.

7. CONTACT OFFICER

Mike Sibthorp Head of Planning Policy and Economic Regeneration.

Appendix A: Draft text for Issues and Options

Appendix B: Sustainability Issues (to follow)

PLANNING FOR THE FUTURE OF SOUTH KESTEVEN

A new framework of planning policies called a Local Development Framework or LDF for short is being prepared for South Kesteven to encourage the development of "sustainable communities" by promoting and controlling development over the next 15 years. This will replace the Local Plan.

This paper is the first stage in the production of the LDF. It sets out the background and looks at the issues which will face South Kesteven over the next 15 years. It also sets out some options for dealing with these issues - there may be others.

Your views are needed to help us to decide which options should be looked at in more detail. There will be further opportunities for you to let us know how you think we should do this.

This consultation on the "Issues and Options" will help us to identify:

- 1 Our vision and objectives for the next 15 years**
- 2 How we can develop our communities sustainably**
- 3 The parts of the district where development should be encouraged or controlled;**
- 4 What sort of development should be located in the different parts of the district;**
- 5 Sites which can be developed for certain things (for example housing, jobs and shopping)**
- 6 Open areas of land and countryside which should be protected**
- 7 How the town centres could be improved**
- 8 How the wider community can benefit from new development**

This leaflet sets out what the District Council considers to be the main issues and options concerning future development in South Kesteven. You may feel that there are other issues of equal importance.

You can make your views known on the issues raised by:

- a) Completing this leaflet and returning it to the Council Offices, or
- b) Sending your comments via our website <http://www.southkesteven.gov.uk/> or by email to mailto: planningpolicy@southkesteven.gov.uk

What happens next?

We will use the views and comments made at this stage to help us decide which options we should look at in more detail and then identify "preferred options". You will be given a chance to comment on these early next year. Comments

made about the preferred options will be used to help draw up policies and proposals into full plans. There will also be an opportunity for you to make representations to the Council's final documents at this stage too. All unresolved representations will be considered by an independent Inspector at a Public Examination before the documents can be adopted by the Council. The Inspector at the examination will be looking at whether the plan appropriately addresses the needs and objectives of the area.

Comments should be returned to:

Mike Sibthorp
Head of Planning Policy & Economic Regeneration
Council Offices
St Peters Hill
Grantham
Lincs
NG31 6PZ

A new Local Development Framework for South Kesteven

The existing South Kesteven Local Plan was prepared and adopted by the Council in April 1995. The Planning and Compulsory Purchase Act (2004) requires Local Authorities to replace their Local Plan with a **Local Development Framework**. This will be a folder of all the planning policy documents which cover different issues and locations within South Kesteven. Some of the issues in this paper will not relate to the area where you live and/or work. Please feel free to answer as many or as few questions as you like.

Please let us know which area you are mainly interested in.

GRANTHAM STAMFORD BOURNE DEEPINGS
RURAL (please specify village)

The Council is not, however, totally free to make its own decisions on every issue: Some things have already been decided for us or may be influenced by others. In particular the [County Council](#), and the regional assembly ([regional government](#)) set out the broad policy framework within which our LDF must fit. All our policies must be in accordance with national policy determined by the [Government](#). The LDF should also reflect the needs and aspirations of the community as set out in the Community Strategy which is prepared by the Local Strategic Partnership (LSP). A review of the Community Strategy is currently taking place, and efforts will be made to ensure that the preparation of these two documents dovetail with each other.

Vision and Objectives

The LDF will form the spatial plan for the area which should help the Council and the LSP to achieve their vision and objectives for the future. It is essential therefore that the vision and objectives of the new LDF reflect those of both the Council and the LSP.

The different documents which will form the new LDF should be united by a common vision and objectives which all documents should strive to achieve. This will be set out initially in the Core Location Strategy and Development Principles documents.

In 2004 the Council adopted a new vision "*to ensure that the residents of South Kesteven are proud of their district and their council*". The following five priorities were also established:

- Anti-social Behaviour
- Recycling
- Improving the street scene
- Accessibility to services
- Improving Town Centres (and develop Grantham as a sub-regional centre)

With the help of community involvement the Local Strategic Partnership (LSP) has built upon these and developed a vision and a set of objectives for the new Community Strategy. The LSP's vision is to:

"Ensure that by 2020 our residents live in one of the top 10 most desirable locations in the country and are proud that they have the skills necessary to participate in sustainable communities which are safe, healthy and economically viable".

Recent community consultation carried out by both the Council and the LSP has endorsed both visions and has given a clear indication of priorities from the community's perspective. This consultation reveals that the most important issue affecting our communities is crime and anti-social behaviour. Surveys identified that about half the respondents felt that the following issues should be a priority:

- Reducing crime and anti-social behaviour
- Improving public transport and tackling traffic congestion and parking
- Meeting the need for affordable housing
- Protecting the environment
- Developing business and the economy
- Improving public places and facilities.

Draft Vision for the LDF

We believe taking these matters into account, that the vision and objectives for the Local Development Framework should be as follows: -

"The LDF will help to make South Kesteven a safe, healthy and desirable place in which we live and work by:

- *Creating the right balance of jobs, housing and infrastructure whilst maintaining a high quality natural and built environment.*
- *Addressing the need for and the location and the form of development to develop sustainable and attractive communities where people want to live, learn, work and play.*
- *Addressing the development needs of the district through appropriate and sensitively designed and located development which will ensure that the district continues to prosper both economically and socially.*
- *Protecting and improving the built and natural environment of the district to encourage local distinctiveness, promote greater biodiversity and provide for healthier lifestyles"*

Draft Objectives

- To facilitate a sustainable pattern of development that meets the diverse economic, social and cultural needs of the whole community in a manner which ensures that development does not irreparably damage the environment or compromise the quality of life of existing and future generations.
- To contribute towards a more sustainable pattern of development by locating new development mainly in the four towns where public transport is or can be provided.
- To make effective use of land by maximising the amount of development on previously developed sites in locations which reduce the need to travel.
- To make provision for an adequate supply and choice of land for new housing, employment and other necessary development to meet the needs of the district to the year 2021, in accordance with the requirements of the Structure Plan and the Regional Spatial Strategy (RSS).
- To ensure that new housing offers a mix and range of types of housing to meet the variety of housing needs, especially the need for affordable and local needs housing in the district
- To ensure that the community benefits from new development through the provision of on and off-site contributions to community infrastructure costs, including where necessary and appropriate facilities for leisure, open space, health, education, affordable housing, transport and the arts.
- Improve accessibility to jobs, houses and services, and to reduce traffic growth by ensuring choice to use public transport, or walk or cycle for as many journeys as possible
- To protect the environment from significant harm and ensure adequate mitigation where appropriate
- Promote the conservation and enhancement, sensitive use and management of the district's natural and cultural assets
- Ensure that development and its occupiers are neither at risk from flooding nor does it increase the risk of flooding to other people or property.
- Promote the prudent use of finite resources and the positive use of renewable resources through the design, location and layout of development and by optimising the use of existing infrastructure.

Do you agree with the wording of the vision?

How could it be improved?

Do you agree with our objectives?

How could they be improved?

Sustainable Development

South Kesteven District Council is committed to promoting and sustaining the economic, social and environmental well-being of the community by creating safe, healthy and vibrant neighbourhoods. In doing this the Council aims to promote sustainable development and create sustainable communities.

Sustainable development is best described as reducing the damaging impact of our daily activities on our local environment so that our children and their children can continue to enjoy a happy, healthy and prosperous life in a healthy environment. By achieving this locally we can have a positive effect on the state of the global environment too!

One of the biggest environmental problems facing the world today is the effect of pollution, and car journeys are one of the major causes of pollution. An important way to reduce car pollution is by planning the location of new development in a way which reduces the need for people to travel by car.

Should new development be located where people can get to it by walking, cycling and by bus?

Creating Sustainable Communities

Sustainable communities are best described as places where people want to live and work now and in the future. A place where you can live, work, shop, go to school, visit the doctors or the library, play and be entertained without the need to travel to these activities by car. These activities are usually available in towns and larger villages, however, they may not be located next to your house or in your neighbourhood, but if you have the opportunity to walk, cycle or catch a bus to them, chances are you live in a sustainable community and you can contribute positively to reducing the impact of your life on the environment.

National policies demand that new development is located in sustainable settlements. In South Kesteven we have four towns which are all deemed to be sustainable. We also have a number of large villages with a number of local services and lots of smaller villages and hamlets with no or very few services. Can these be considered sustainable?

So what makes a village or town sustainable?

Sustainable settlements should be identified using a standard assessment process, which involves identifying essential and desirable facilities which need to be available to enable residents to meet their daily needs without having to travel by private car.

The table below shows the factors which we have identified as being essential or desirable if a village is to be considered sustainable.

- 1 Do you agree with our criteria? Yes No**
- 2 Tick whether you think each is essential, desirable or an optional extra?**

FACTOR	Essential	Desirable	Optional extra
Primary School			
Secondary School			
Food shop / Local shop			
Petrol garage			
Village Hall / Meeting Hall / Memorial Hall			
Bus Service to nearest urban area (at least hourly)			
Bus service (1-3 hourly / 4 per day)			
Bus service (3 hourly or less frequent)			
Church / Chapel			
Post Office (full time)			
Public House			
Doctor (full time)			
Doctor (part time)			
Train Station			
Local Businesses			
Day nursery/pre-school playgroup/childminding/crèche			
Recreation area / open space			
Children's play equipment			
Mobile library			
Allotments			

New Development

Old buildings can be re-used and new buildings can be built by all sorts of different people, businesses, and organisations for lots of different uses. Most new building or changes to the use of an existing building will require planning permission. Most new development takes place to provide homes; jobs (in factories, offices and other business uses); or shops. Less often development is for leisure; education; or healthcare. In all cases planning policies are used to help decide whether a planning application should be approved or refused.

Where do you think we should encourage most new development to locate?

(Please tick 1 or more options)

1. *In towns*
2. *In larger sustainable villages*
3. *In small rural villages*
4. *In the open countryside*
5. *Anywhere*

Use of Resources?

Another important element of sustainability is the efficient use and re-use of natural resources. New development should therefore be encouraged to make the best possible use of land and materials to ensure less wastage, development should also be encouraged to re-use land and buildings, recycle building materials and promote energy efficient design.

The Government's policy is that developers should prioritise the development of brownfield sites (that is a site which has already been built on or used for another purpose) in urban areas before development of greenfield sites. It has developed a sequence for site selection which is particularly relevant to housing development, but should be applied to the consideration of all new development.

In the context of South Kesteven the location of new development would follow the following sequence:

1. **Brownfield sites in Grantham, Stamford, Bourne and Deepings**
2. **Underused greenfield sites within the four towns**
3. **Town extension sites (probably greenfield) in Grantham (and Stamford, Bourne and Deepings if necessary)**
4. **Brownfield sites within local service centres**
5. **Greenfield sites within local service centres**

Should new development be concentrated on brownfield land in the 4 towns?

Yes No

When do you think new greenfield sites should be considered for development and why?

Do you think concentrating development of brownfield sites in the town may cause problems?

Yes No

If so what sort of problems?

Housing Development

South Kesteven is a popular location for housebuilders and homebuyers. The population of the district has increased by ?% since the local plan (the council's previous planning policy document) was adopted in 1995. Much of this growth is due to people moving into the area from outside, many of the districts residents commute to work in nearby cities such as Peterborough and Nottingham or even further a field to London. Demand for new housing to meet all needs should continue to be met if the district is to meet its objective of a decent home for all. One of the primary roles of the new LDF is to identify sufficient land to meet the predicted demand for new homes in the district.

Affordable Housing

Because South Kesteven is an attractive and popular place for people to live, and because house prices have risen beyond average household incomes, there is an issue about the affordability of housing in the district.

In 2002 a study revealed that more than 140 new "affordable" homes would be needed in the district each year. The Council has tried to address this through the provision of new affordable homes on private market housing sites and through new social housing provision. Consultants are currently carrying out a new survey to identify what the affordable housing needs of the district are now, and you may be asked to be involved in this survey.

Should affordable homes be built in the towns or villages or both?

Should private developers provide more affordable homes on market housing sites?

Should proposals for affordable homes be subject to the same restrictions in terms of location, brownfield sites design etc as market housing?

New Homes

The Lincolnshire Structure Plan (draft April 2004) sets a requirement for 9200 new homes to be provided in South Kesteven between 2001 and 2021. 2440 homes have already been built and another 4535 have planning permission. The new LDF should identify sites on which the remaining 2225 new homes can be built.

The RSS is being reviewed and will give new housing requirements to replace those in the Structure Plan and the Council has an opportunity to try to influence the development requirements included within it. Whilst the figure in the new RSS will not be used for the first version of the Housing and Economic Development Plan it is helpful to know whether you think we should be seeking to get higher housing requirements for the next plan period.

Do you think more new homes should be planned for the district in the RSS Review?

Yes No

A study has been undertaken which shows that brownfield land may be available for all the new homes required in Stamford, Bourne and the Deepings. This would mean that no new (greenfield) land would need to be used for house building in these areas before 2021. However in Grantham, there does not appear to be enough brownfield land to accommodate all the required new homes and therefore some greenfield land may be required.

Do you think all new homes should be built on brownfield sites if available?

Yes No

Should new greenfield sites be considered for development?

Yes No

Should new housing development close to the town centres make the best use of land by building flats or smaller houses with no or limited parking?

Yes No

In the rural parts of the district almost all of the 1900 new dwellings required by the Structure Plan have already been built or have planning permission. There is therefore no need to identify new housing land in the villages.

Do you support this? **Yes No**

The Council has recently adopted a new policy to help it consider applications for new housing proposals in villages. This policy restricts new housing building in

the rural parts of the district so that only proposals for affordable local need housing, conversion of suitable, existing buildings and replacement dwellings only will be permitted within villages.

Using sustainability criteria the Council has also identified the following settlements as sustainable and therefore fulfil the role of a “Local Service Centre” List villages

Within these settlements proposals for new house building on brownfield sites will also be considered acceptable.

Do you agree with this approach?

Yes No

In which villages do you feel further housing development should be allowed to take place?

If more housing is allowed in the villages what type of housing do you think should be built?

(Please tick one or more option)

Market housing

Affordable homes to buy

Affordable homes to rent

Family homes (3-4 bed)

Starter homes (1-2 bed)

Bungalows

Sheltered / elderly persons homes

EMPLOYMENT

Situated alongside important north-south links in the national road and rail system, and close to the major business centres of Nottingham and Peterborough, South Kesteven is better placed than most other parts of Lincolnshire to attract and benefit from new employment development. The district currently has a very low unemployment rate. However average incomes are distorted by very high incomes of those commuting out of the district. Much of the districts own employment is low paid in addition skills levels tend to be lower than the national average. Unlike house building, the Structure Plan does not set out how much employment land should be identified in the LDF. However to ensure a thriving local economy it is essential that land is identified in the LDF which is suitable and available for new and expanding or changing employment generating activities to locate to.

Employment development encompasses many different types of business each has varying requirements for land and buildings. Employment development might mean a builders merchant or a motor mechanics workshop, or it might mean a factory making dustbins or a factory making micro-chips for computers. Similarly employment opportunities are created by offices, shops, cinemas, swimming pools, hospitals, call centres etc. If we are to ensure a thriving local economy where unemployment remains low, but average incomes for those employed within the district increase in line with the national average and where we have the ability to attract inward investment it is essential that we understand the employment market and have an understanding of the supply and demand for employment land and buildings in the district.

We need to identify sites that are suitable to be used for employment purposes. About 142 hectares of land remains to be developed on sites allocated for employment in the existing Local Plan. Some of these sites show little or no sign of being brought forward for development. It is part of the review process to critically examine these sites and determine whether or not they should continue to be included in the forthcoming Local Development Framework.

Where should new employment development take place?

(Please tick one or more option)

Within the town centre

On the edge of the town centre

On the edge of towns

In the Local Service Centres

Everywhere?

Should we encourage employment development in rural areas where it will enable the rural economy to diversify and help maintain viable and sustainable local communities?

Yes No

In which village(s) do you feel sites(s) for new employment development should be identified?

Why do you feel that these villages are the most appropriate locations for employment development?

Should the Council identify sites for specific types of employment development?

(E.g. Office development, Industrial or shopping?) Yes No

Should sites which have been allocated for employment purposes be de-allocated if they have not been developed within 5 years? Yes No

Should the Council make wider use of Compulsory Purchase Orders to achieve its objectives for developing employment land? Yes No

TOWN CENTRES

The centres of our towns have long been the focus of shopping, entertainment, business and other activities for their own resident population and that of the surrounding area. Like many other small town centres throughout the country, they have been subject to changes in commercial practice and consumer behaviour. In this district the towns (and some of the larger villages) have a greater role as a service centre for a much wider rural hinterland. It is therefore important that the vitality and viability of these centres is maintained and where possible improved.

It is Government policy to maintain and enhance the traditional commercial role of town centres and defend them from "out of town" developments. The Local Plan should therefore consider the adequacy of town centre services and facilities and, where appropriate, identify sites for new development. It may also be appropriate to identify areas for retaining or enhancing the provision of particular uses, such as shopping, leisure, entertainment, education, health, employment, business and housing.

Should the LDF identify the limits of the town centres?

Yes No

Should the LDF identify specific sites for new retail development within the four towns?

Yes No

What sort of development would you wish to see in the town centres?

Should parts of our town centres remain, for the most part, undisturbed?

Yes No

If yes why?

Should the LDF identify areas of town centres which will be restricted for certain uses (e.g. shopping, leisure and entertainment areas)?

Yes No

RECREATION LEISURE & TOURISM

Society as a whole has more leisure time than ever before, and this trend is likely to increase further. Access to open space and recreation facilities is also extremely important to establishing healthy lifestyles and to promote social well-

being. It is important therefore that there are adequate and appropriately located facilities to cater for this demand.

Is there a need for more recreation, leisure and tourist facilities in South Kesteven?

Yes No

If so, what type?

Where should they be sited?

Towns

Local Service Centres

Rural villages?

Should the Council try to protect existing recreation sites from development?

Yes No

Should the Council protect existing allotment sites from development, even where they are no longer in use?

Yes No

NATURAL ENVIRONMENT & THE COUNTRYSIDE

Long standing national and local policies exist to safeguard the open countryside around our towns and villages from development other than that related to agriculture, forestry and other uses which are essential in that location.

The existing Local Plan recognises the quality of the local landscape and designates a large area of our countryside as an "Area of Great Landscape Value". No such areas are identified in the Structure Plan which makes it clear that designations like this should only be maintained where the general countryside policy framework will not provide the necessary protection.

The existing Local Plan also identifies a large number of other open areas of land within and on the edge of our towns and villages which should be protected from development. (EN6 sites). This is in recognition of their special local importance, for example, in preventing the merging of towns and villages and / or adding to their particular character and appearance.

Should we consider ways of conserving the quality of the countryside as a whole and not just those areas with special designations?

Yes No

Should more emphasis be placed on a local assessment of landscape character aimed at protecting and improving local distinctiveness throughout the District?

Yes No

Should we continue to protect open sites in and around the towns and villages ?

Yes No

Which open areas of land in and around our towns and villages should be protected from development?

Should we have additional policies to protect the wider environment from the consequences of development? E.g. Flood risk and attenuation, pollution and contamination.

Yes No

Should we have additional policies to promote renewable energy (e.g. wind, solar power etc)?

Yes No

If windfarms are considered a suitable option for this district should specific sites be identified in LDF?

Yes No

If so where?

BUILT ENVIRONMENT

South Kesteven's towns and villages possess distinctive architectural and historic character, made up of a complex mixture of building forms, materials and layouts which help give them their individual identity.

Today the pace of development has led to the introduction of a 'sameness' of building styles across the whole country. Too often they take little account of the particular locality in which they are proposed.

Should the LDF contain stronger policies to promote good design in new development and help maintain local distinctiveness?

Yes No

Are there any areas of our towns and villages which you feel require special protection and conservation?

Yes No

If so, where and why?

INFRASTRUCTURE PROVISION BY DEVELOPERS

New development often creates a need for additional or improved community services and facilities. On large developments in towns and villages with a number of development sites there can be significant pressures for more substantial facilities. Despite extensive development in South Kesteven over recent years, infrastructure has not always kept pace with the demand generated.

Should the Local Plan include policies which ensure that adequate developer provision or contribution is made in respect of demands arising from major developments?

Yes No

Should all new housing developments make a contribution to infrastructure improvements? For example a roof tax?

Yes No

What type of community facilities and services should be sought from developers?

(Please tick as many as you wish)

- 1 Affordable housing**
- 2 Recreation and open space**
- 3 Highway**
- 4 Education**
- 5 Healthcare**
- 6 Public transport**
- 7 Recycling facilities**
- 8 Crime reduction measures / CCTV**
- 9 Other suggestions**

Grantham

Grantham is the largest town in the district with a population of 38,000 and over 60,000 within Grantham's travel to work area. Almost one third of the total population of South Kesteven lives in Grantham which is the largest in the county after Lincoln. The town has a large range of shops and services which serve a much wider area than the population of the town itself. For this reason the town is identified in the Regional Spatial Strategy as a "sub-regional centre" Despite concerns about reductions in medical care facilities and slow progress being made to resolve traffic congestion the town has the best social, community and physical infrastructure of any of the district's four towns. Situated in a highly accessible location alongside important parts of the national road and rail network, Grantham has significant potential to take on a stronger sub-regional role in line with the requirements of the RSS.

To fulfil this role it is intended that Grantham should accommodate the major share of additional housing and employment development over the next 15 years and should expand the range of service and opportunities it provides the wider community.

Housing

The town experienced a large increase in house-building 5-10 years ago. Most new homes in Grantham are now under construction at Londonthorpe Lane and off Springfield Road. The Structure Plan requires that 3800 new homes should be built in Grantham (2001 - 2021). Since 2001 xxx homes have been built and a further xxx have planning permission.

In 2004 the Council undertook an urban Capacity Study to identify the amount of brownfield land which might become available for housing development up to 2021. This study revealed that about xxx new homes could be built on the larger brownfield sites, such as : Impress metals, Springfield Road; etc (put in 3 more egs)

If all the houses expected are built, new land would still need to be identified in the town for xx houses. There are very few opportunities for large greenfield development within the town without the loss of important open spaces, it is therefore likely that urban extension land will need to be identified to meet this need.

Employment

As would be expected Grantham provides the majority of the district's employment opportunities. Capitalising upon its location adjacent to the A1 and the East Coast Mainline through the town is an important location for a wide range of employment generating businesses, ranging from manufacturing, commercial and distribution uses. There is however a shortfall in readily available sites on which new and relocating businesses can develop. The LDF

must address this issue by providing for a range of sites both within and on the edge of the town to meet the demand. It will be essential to prove that sites are deliverable before being allocated in the LDF.

The location of the town and its identification as a sub-regional centre makes it a suitable location for the development of research and development sectors and makes it ideally place for the development of a business centre. Whilst there is shortage of employment land generally available in the town, there is a particular shortage of business start-up units and managed workspace, which should be addressed in the LDF.

A number of the sites identified in the urban capacity study for housing are currently in employment use. The Council needs to decide whether these sites should remain available for employment or whether it would be better to redevelop these sites for housing and identify replacement land for employment uses on the outskirts of the town.

Infrastructure

Traffic congestion within the town is a problem which is exacerbated by the restriction of east - west movements (particularly on the A52 Boston-Nottingham route) through the town centre, and through narrow Victorian railway bridges, some of which are height restricted and still only allow for one-way traffic.

As the Highway Authority for South Kesteven Lincolnshire County Council is seeking to address these issues and a number of localised highway improvement schemes are already underway within the town. The County Council is also committed to undertaking a study and review of the traffic issues within Grantham particularly the east - west movements with a view to recommending how this can best be addressed. The District Council believes that a resolution to the problems of east-west movements is the development of a by-pass or relief road. Development of such a road is unlikely to be publicly funded in the near future and is only likely therefore to come about as part of a major development scheme which will fund part or all of a new road.

Options for Development

1. What new use should be made of old employment sites within Grantham?

Mostly housing

Mostly employment

Mixed uses (e.g. housing, employment, commercial, retail)

Depends on its location and surrounding use

2a. if greenfield extension sites are needed for either housing or employment development should we concentrate on:

- **one location only or**
- **2 - 3 locations?**

2b. If so which ones?

- **West of the town at Poplar Farm (Barrowby Gate)**
- **North of the town between Gonerby Hill Foot and Great Gonerby or Manthorpe and Belton**
- **East of town between A52 and the A607***
- **South of the town between the A607 and A1***
- **West of the A1 opposite the new hotel and pub development on Harlaxton Road**

**note these would include a proportion of brownfield land*

2c. should urban extension sites be for a single use such as housing (and associated facilities) or should they be developed for a mix of uses incorporating housing, employment, commercial and local services?

3a. should the Council promote an east-west relief road which will be largely dependant upon private development (for housing and employment) funding?

3b. If so where should this route go?

4. Which parts of the town centre should benefit from redevelopment and which bits should remain undisturbed?

5. What sort of development do you wish to see in the town centre?

6. How could the town centre be improved?

7. Should a special policy designation be made for the retail development at Gonerby Moor, to focus and strengthen its role as a retail centre?

Yes No

Stamford

Situated in the southwestern most corner of the district alongside the River Welland and the A1 trunk road, Stamford is the second largest town in the district, and home to over 19500 people. The town's boundaries coincide with the county boundaries of Lincolnshire, Rutland, Northamptonshire and Cambridgeshire.

The old town which straddles the river contains over 600 listed buildings. Its intricate street pattern, steep contours and profusion of 18th and 19th century buildings with their mellow stonework and distinctive Collyweston roofs produces a townscape of exceptional quality. The overall shape of the town has been and still is determined by the river valleys; the road network and the tight administrative boundary, together with land ownership constraints. To the east development has been constrained by the confluence of the Rivers Gwash and Welland and to the west by the A1 trunk road. The landscape to the north of the town would mean that any further development in this direction would cause demonstrable harm to the attractive and undulating landscape, whilst to the Southeast the Burghley Park Estate forms another physical constraint to development.

The Council is keen to ensure that Stamford maintains its role as a locally important employment and service centre, but at the same time is aware of the need to protect its unique historic character and prevent irreversible damage to its setting.

The Structure Plan groups Stamford with Bourne and the Deepings in terms of housing development. Within the group some 3500 dwellings should be built during the plan period (2001-2021). Much of this is already accounted for by houses built and those with planning permission (particularly within Bourne). Urban capacity (brownfield) land has been identified for about 500 new homes. Some of this is however currently in use and would only become available if the current owner wished to move or redevelop the site.

The Council is aware that there is a shortage of readily available employment land within Stamford. Much of that which is allocated is on the east of the town and is constrained by poor access. The identification of employment sites which can be delivered is a priority for the Council if it is to meet its objectives. Stamford is well located in the national road network and benefits from a high level of demand for employment land which is currently largely unmet. This issue must be addressed within the LDF.

Proposals have been announced by Stamford Chamber of Trade for a new road link which would open up this eastern part of the town and provide improved access from the east onto the A1. This road is unlikely to be entirely publicly

funded. Its development will only come forward therefore if sufficient land is identified for development (both housing and employment) to yield the road as a planning gain.

Working with Stamford Vision the District Council has also assessed the feasibility of an area of the town north of the River Welland to the east of the town centre known as the Welland Quarter. This site is considered suitable for a major mixed use redevelopment scheme comprising housing, employment, commercial and recreational uses.

Options for development

1. Should new development be restricted to that which is essential to meet the needs of the town for housing and employment?

Yes No

1b. Should affordable housing be allowed to be developed on sites which might not normally be acceptable for market housing?

Yes No

2. Should development be concentrated within the existing built up area of the town on brownfield sites?

Yes No

3a. If the town were to expand outwards where should this be located?

- ***West of the town up to the A1***
- ***North of the town***
- ***East of the town***
- ***South of the town***

3b. Should development on these extension sites be limited to one use (such as housing or employment development, or should they be used for a mix of uses).

Yes No

4. Do you support the redevelopment of the Welland Quarter for a mixed-use development?

Yes No

5. How do you consider Stamford's east-west traffic problems can be best resolved?

6. Which parts of the town centre need improving if any?

7. What sort of development would you wish to see in the town centre?

8. Are there any open spaces within the towns which you feel should be protected and/or enhanced?

Bourne

The town of Bourne is situated on the A15 Lincoln to Peterborough road in the eastern part of the district between the rich fenlands and the wooded slopes of the limestone hills.

Bourne has experienced rapid expansion of its population over the last few years. This is due primarily to the development of Elsea Park to the south west of the town. This site has planning permission for in the region of 2000 houses (of which 135 had been built by April 2005), a primary school, and local service centre and employment development. The site will also yield a new road from the A15 west to the A151 to Grantham/Stamford. Elsea Park is considered sufficient to meet the needs of the town in terms of housing development for the foreseeable future. However the encouragement of new employment opportunities and redevelopment of the town centre are considered vital to meet the needs and demands of the planned growth in population.

Currently employment land is allocated on the eastern side of the town, however much of this land has proved to be either unsuitable or undesirable to modern employers. Demand for land and premises in Bourne is strong, however there is a shortage of suitable and readily available sites. New attractive and deliverable sites must be identified in the LDF if Bourne is to achieve the right balance of homes and jobs to allow it to develop as a self-contained town.

Proposals for the redevelopment of the town centre are underway. The council is promoting a redevelopment scheme which incorporates retail and commercial development as well as some housing development within the town centre.

Options for development

1. Should new housing development (not sites which have permission already) be:

- Limited to affordable housing schemes only***
- Restricted to brownfield urban capacity sites only***
- Allow for new development on both brownfield and greenfield sites within the existing built up area only ?***

2. Where should new employment land be identified?

- Within the town on brownfield redevelopment sites***
- On new sites to the east of the town with associated improved access***
- Sites to the south-east of the town opposite Elsea Park***
- Sites on the northern edge of the town on the A15?***

3. How could the town centre be improved?

4. What sort of development would you wish to see in the town centre?

5. Are there any open spaces in the town which should be protected and /or improved?

The Deepings

The Deepings is the collective name given to the two settlements of Market Deeping, West Deeping and Deeping St James which lie some 7 miles north of the City of Peterborough on the A15 Lincoln Peterborough Road. The town has built up on the northern side of the River Welland which also forms the district and County boundary with Peterborough.

The population of the Deepings has grown over the last 10 years to over 13,000, the majority of this growth has been fostered by the major expansion of Peterborough. The high level of in-migration over the last twenty years has resulted in a much younger age structure and momentum for further growth through natural increase.

Despite the size of population of the Deepings it does lack the kind of town centre with the range of commercial and retail activity that is characteristic of many small towns. There have been several major improvements in recent years to the towns facilities including a by-pass, a major food store and a health centre. The Deepings has also been highly successful in attracting new high quality employment and there is strong evidence of continuing demand for factory space there. The District Council is keen to meet this demand to promote a better balance of homes and work opportunities and reduce the outward migration of workers that could be attracted to local jobs if the employment opportunities within the town are expanded.

The Regional Spatial Strategy promotes a restriction of further housing development in this southern part of the district as a means of reducing car travel to Peterborough, this is reflected within the Structure Plan housing requirement for the Deepings (which is included in the “other urban areas” including Bourne and Stamford). Completions and commitments at the end of March 2005 totalled xxx and urban capacity sites have been identified for about xxx new houses. There is little scope for any additional housing development in the Deepings within the restrictions of the Structure Plan and the current RSS. However because this area is attractive to those people relocating from Peterborough there is an issue within the Deepings about the lack of affordable housing. Without new market housing it is difficult to see how this issue might be addressed.

Options for Development

Should new housing development (not sites which already have planning permission) be:

- *limited to affordable housing only*
- *Restricted to brownfield urban capacity sites only*
- *allow for a limited amount of new development on both brownfield and greenfield sites within the existing built up area only?*

Where should new employment land be identified?

- *on new sites to the north of the town south of the bypass (Northfield Road)*
- *area around Northfields (east of Park Air)*
- *West of town between by-pass and Millfield Road*

How could the town centre be improved?

What sort of development would you wish to see in the town centre?

Are there any open spaces in the town which should be protected and/or improved?

If additional housing and employment development is required in the future, do you think land south of the River Welland should be considered?

Yes No

OTHER ISSUES

Are there any other planning issues you think we should be addressing?

Yes No

If so, please specify

Sustainability Appraisal/ Strategic Environmental Assessment – Key Sustainability Issues in South Kesteven District

SA/SEA Topic	Key issue/problem Location	ENVIRONMENT	Description	Mitigation
Biodiversity (fauna and flora)	Tree protection in new developments	<p>There is an issue that as landscaping becomes a condition of planning permission that the planting of trees is not protected. If Tree Preservation Orders (TPO) are not implemented at that time then there is no incentive for developers to retain them. Government guidance is to follow up development with a TPO but pressure of resources means that it cannot always be achieved.</p> <p>SKDC area contains good examples of grassland, woodland, ancient semi natural woodland, limestone areas. As a species, the White Clawed Crayfish is a feature of the River Witham. Some closed graveyards (e.g. on Manthorpe Road in Grantham) are managed for biodiversity which is maintained by SKDC. The church grounds at Long Bennington is managed also as part of the God's Acre project.</p> <p>Adherence to the Lincolnshire Biodiversity Action Plan is limited due to very limited budget. It is perceived that this is not a priority. There are no definitions for open countryside and the way it should be developed or worked in the existing local plan.</p> <p>There has been a reduction in the amount of local authority owned woodlands as 10 years ago it disposed of pockets of land mix of woodland. Other natural areas are maintained but there is limited resource to enhance these sites. Ancient and semi natural woodlands are not included in the existing local plan.</p> <p>Fragmentation is an issue. Around Bourne the redundant railways are valuable with the possibility of badgers, and sand martins using the area.</p> <p>Fragmentation</p>	<p>Lagoons and areas used for flood alleviation are designated as open spaces, thus increasing the long term opportunity for enhancement of biodiversity.</p>	

Soil	Contaminated Land; South Kesteven District,	BVPI – previous assessment of contaminated land Sources of contamination: Railways – oil, fuels, asbestos, metals, coal, ash Heavy engineering and metal sites	Inspection target for contaminated land: Use BVPI 216a –determine no. of sites concerned with contaminated land then assess. Targets: In 2005 – 1036 sites (baseline) 2006 – 956 sites predicted 2007 – 866 Aim to bring approx 80-100 sites back into use each year. GIS System – monitors previous land – use
	Noise Pollution; Autumn Park, Alma Park Grantham, Springfield Road, Grantham Development	Noise pollution occurring from transportation – main trunk roads, railways, heavy industry; 24 hr can manufacturing company on Springfield Road Mixed developments would raise more problems – supermarkets loading, delivery times, traffic moving	Ask for a policy/ strategy to how developers are to deal with contaminated land. Ask for risk assessment – residential development.
Water	Climatic factors (including energy use)	Energy and council building stock	No issues were raised relating to water quality In council owned housing there was a tendency to install more insulation than was legally demanded resulting in higher efficiency buildings. New regulations make such measures unnecessary now. Refurbishment schemes include installation of air-conditioning; alternatives are proposed, but resources make this uneconomic. SKDC has no carbon emissions policy and there is no evidence of renewable energy in distinct e.g. solar panels

Air	<p>Air pollution from traffic; Grantham</p> <p>Traffic pollution related issue - Wharf Street is an Air Quality Management Area. Anticipated that traffic related targets for air pollution will not be met unless mitigation taken.</p> <p>Air quality is poor in Asda area of St. Augustin Way affecting residential area, gardens present a buffer providing.</p> <p>The main issue is the requirement for traffic management to be designed as a key aspect of new housing schemes – higher density housing causes increased problems in air pollution.</p>	<p>Liaising with Lincolnshire County Council to get sustainable development on traffic management</p> <p>Putting together a policy to reduce pollution</p> <p>Through route for HGVs from St. Augustin Way back up along Wharf Road</p> <p>May add another AQMA outside/near Kings School, Brooks Street currently monitoring NOx</p> <p>Annual Review – targets set by central government.</p> <p>AQMA linked to residential</p> <p>Recycling is one of the five primary aims; by 2010 every household must have kerbside recycling.</p> <p>EU Landfill directive includes diverting bi-municipal waste away from landfill</p> <p>Issues:</p> <p>MRF in south of district – Peterborough closed down, Cleanaway site in Grantham is only for paper, there is an opt-in scheme for green garden waste</p> <p>10,000 properties do glass in south of district, although participation is poor as collection occurs every 5 weeks (total 30 tonnes)</p> <p>Access to terraced properties for future recycling - serious parking issues in Grantham means that deploying bins is going to be difficult in delivering targets</p> <p>GOPDs in Earlsfield council estate pose a serious problem in terms of waste collection as generally older people find it difficult moving bins.</p> <p>This is an issue in rural areas and in the towns.</p> <p>Wyville Road, Grantham – focus for fly tipping – 100 litter fines were</p> <p>Use CCTV technology and publish photos in</p>
	Material Assets (including waste)	Waste and recycling, SKDC

<p>issued over 3 months.</p> <p>40% of street litter is cigarette related</p> <p>Street Scene – litter enforcement priority</p>	<p>papers.</p> <p>Enforcement staff reports on litter from cars.</p> <p>Staff has empowerment forces. Community support police officers issue litter fines.</p> <p>Litter will always be a problem unless forcefully dealt with.</p>
<p>Cultural assets (including archaeology and heritage)</p>	<p>There are 2500 listed buildings alone in the area and with buildings that are of local interest, but have no statutory significance, this makes approximately 10,000 in total . There are 46 conservation areas. Stamford as a town with much heritage, is internationally and nationally important. Influences in the district are mainly Danish around the south of the Welland, in Ancaster there are Roman remains.</p> <p>Government have identified the heritage importance of suburbs and although these are a characteristic of some areas in SKDC there are a marginal issue.</p> <p>Heritage and archaeology are important in the SKDC area and there is a need to engage with local people so that history is not lost from future generations. In the 05/06 period there will be no function to relate heritage to the community, which is an issue that impacts on the economic and social development of the area.</p> <p>PPG16 states that archaeological work in the planning framework should use this information to enhance the sense of identity and heritage through tourism and education – difficult to achieve, may achieve some of this through museums but depends on how they are funded.</p> <p>The new Conservation Area in Stamford has no listed buildings within it but there are dwellings that were constructed during times of the Enclosure Act. Typically these were terrace houses built by individuals using local materials. There are approx 300 of these types of houses.</p> <p>There are no written reports on archaeology – but the area consists of remains from most periods: pre-historic to the industrial age, with Danish and Roman influences in the towns, which also have medieval elements.</p>
<p>Heritage and community involvement</p>	<p>Conservation of heritage buildings</p> <p>Records of archaeology</p>

Development	<p>Stamford Hospital is a listed building and there is concern that some proposed activities may conflict with heritage conservation of the site.</p> <p>Loss of archaeology due to development is not a major issue.</p> <p>Archaeology tends to be better preserved in rural areas where there has been little development in the past. Development of a wider area can conflict with existing listed/heritage buildings. Potential conflict with future development and future developments and heritage/archaeology; i.e. priorities.</p>	<p>In some circumstances development can destroy archaeology but records are made. In large sites it is easier to retain archaeology in open spaces.</p> <p>Use criteria and assessment to recommend to re-design any developments, then conduct further assessment, and give advice to the planning authority about opportunities for preservation in-situ i.e. particular kind of foundations.</p> <p>In the future there are to be single heritage designations, which will devolve to the local level.</p> <p>Obtaining natural resources to restore old buildings is an issue due to their lack of availability. For example, some of the houses built in the south of the district were built of limestone and some of ironstone. In the north of the district the houses tend to be of red and buff brick. The main problem is in obtaining the Colley Weston slate traditionally used for roofing. This was mined 5 miles from Stamford and is the main material used in that area. Lack of availability results in greater costs, making it expensive to use. Therefore alternatives have to be used – mainly in non listed buildings. Many unprotected old farm buildings are being stripped of the Colley Weston slates, and being sold commercially.</p> <p>There is an issue over the loss of traditional skills in building restoration and repair.</p> <p>Natural materials</p> <p>Employment</p> <p>New technology</p> <p>There is an opportunity to create local employment and upskilling of trades to incorporate traditional techniques.</p> <p>Remedies for imposing satellite dishes have included putting them on poles in the garden, within the groove of roofs, or behind a</p>
-------------	--	--

	Transport and erosion	dirt on the outside of the buildings.	parapet.
Landscape	Open Spaces	<p>SKDC is approx 3640 sq miles total area</p> <p>Municipal parks:</p> <ul style="list-style-type: none"> Grantham – 3 parks <ul style="list-style-type: none"> <input type="checkbox"/> Wyndham <input type="checkbox"/> Queen Elisabeth Park <input type="checkbox"/> Dysart Stamford- <ul style="list-style-type: none"> <input type="checkbox"/> Recreational Ground <p>Inherited municipal parks are difficult to maintain.</p> <p>SKDC inherit open spaces (sports fields, gardens) from developers and it is difficult to bring these up to standard and maintain (grass cutting) as it is not seen as a high priority. There is blanket standard for the whole district, which can be difficult to follow and maintain.</p> <p>The government/ developers do not give people what they want instead what they think they need.</p>	<p>S106 agreements – open spaces</p>
Society	Housing	<p>SOCIAL</p> <p>Affordable housing is an issue due to recent trends– In migration from people retiring from the south and professionals working in London along with the expansion of Peterborough has caused house prices to rise as the district is more attractive for commuters.</p> <p>Rail links:</p> <ul style="list-style-type: none"> London to Grantham – (1 hr 15mins) Nottingham – Grantham Leicester to Grantham <p>The average house price is now £130,000. However locals in the area have incomes which one of the lowest in the country (next to Cornwall).</p> <p>Reduction of housing stock at present – approx. 6500 7/8 years ago housing stock was 8000 – right-to-buy take was big due to quality.</p> <p>Homeless households 270/annum – takes priority therefore can only help others on the waiting list.</p>	<p>S106 – requires all on-site contributions for affordable homes. 31% of new developments have to supply local need. Fordhams Housing Needs Survey 2002 – currently under review – perhaps will change to 35% or even 40%.</p> <p>All remaining homes to meet Decent Homes Standard by 2007.</p> <p>6500 on waiting list</p> <p>Producing more shared ownership – 4000 on the waiting list 4 years ago, now only 1,700</p>

<p>More migrant workers – established Chinese community and a small Turkish community. There are more Portuguese families moving to the area and their community needs will be met. Some people are working in factories i.e. Fenland Foods, around Bourne Salad and some working in the fenlands doing fieldwork.</p> <p>Incapacity, learning difficulties – not enough supported accommodation</p> <p>Noise pollution occurring from transportation – main trunk roads, railways, heavy industry;</p> <p>24 hr can manufacturing company on Springfield Road</p> <p>Development</p>	<p>More migrant workers – established in communities</p> <p>Policy of prioritising brownfield development above Greenfield, with development in rural areas being focussed upon the sustainable villages, will approve some small scale build on exception sites.</p>
<p>Mixed developments would raise more noise problems – supermarkets loading, delivery times, traffic moving</p> <p>ECONOMY</p>	<p>Night time economy – Licensing Act- pubs apply for license for late opening times. This has not yet come into force, will do in Nov 2005. This can lead to change in development of town centre (local residents)</p> <p>Stamford was the first conservation town in England. Both towns receive tourists during the day and are vibrant at night. Stamford in particular attracts people from the military bases around Oakham</p>
<p>INTER-RELATIONSHIPS</p> <p>Environment and society: Housing and council owned buildings</p> <p>Inter-relationships</p>	<p>Working with registered social landlord, 60 homes being developed on Springfield Road, Grantham.</p> <p>Earlfield: replacing some flats with 2 and 4 bed homes with gardens. The Muir Group Housing Association are building in rainwater collection using S106 contributions. A development on Elsea Park is incorporating badger crossing, badger sett is being integrated</p>

	<p>Newton Group – need to demolish some buildings but have a license to relocate bats and put bat boxes in trees, as well as in bungalows giving access in gables for bats.</p> <p>Health in SKDC council buildings has no natural ventilation in office buildings. In old people's communal buildings some ventilation measures were implemented which then became policy.</p>
--	---

Agenda Item 6

REPORT TO CABINET

REPORT OF: Head of Planning Policy & Economic Regeneration

REPORT NO. PLA.520

DATE: 8TH AUGUST 2005

TITLE:	PLANNING DELIVERY GRANT 2005/2006
FORWARD PLAN ITEM:	No
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	N/A
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	N/A

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Planning and Development Control Economic Development Portfolio Cllr J Smith
CORPORATE PRIORITY:	Planning and Development Control (B Priority)
CRIME AND DISORDER IMPLICATIONS:	No significant implications
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available via the Local Democracy link on the Council's website: www.southkesteven.gov.uk
BACKGROUND PAPERS:	None

1. PURPOSE OF REPORT AND SUMMARY

Cabinet will be aware that South Kesteven District Council was awarded a Planning Delivery Grant for 2005/2006 of £569,559. This has recently been supplemented by a further £54,545 arising from submission of its Local Development Scheme. The total award is therefore £624,104.

Whilst PDG is not specifically ring fenced the government has made it clear that future awards of PDG are dependent on authorities' performance across planning activities. The expectation therefore is that the Delivery Grant will be targeted towards the development and improvement of planning related services.

2. DETAILS OF REPORT

The Delivery Grant award was presented to Cabinet on 11th April 2005 (Report PLA.491: see extract of decision attached). Cabinet at that time endorsed the development of a strategy for the investment of the Grant into planning services and planning related projects around the following key issues;

- back scanning archived planning files
- IT initiatives
- External consultancy of service (particularly administrative function)
- Replace existing furniture and improve accommodation
- input into LDF project to help ensure that an up to date plan is available
- Staffing issues (additional hours/use of short term consultants)
- Future projects
- Financing a district-wide housing needs survey

Through discussions between ourselves, team leaders and the Corporate Director, and Accountancy Services, the following projects have been identified under the above themes. It is considered that these projects will;

- Expedite the delivery of a full and robust suite of e-deliverable planning services
- Sustain the significant improvements in performance experienced during 2004/2005
- Delivery of the new LDF within the timescales specified within the LDS.
- Delivery of associated town centre projects having a significant planning input / impact
- Provide a sound evidence base for the development of affordable housing policy for incorporation in the LDF.

The projects will contribute positively to the fulfilment of A priorities (Town Centres) and B priorities (affordable housing, planning & conservation and

business development). Based upon current performance levels the anticipated grant for 2006/2007 is approx. £300,000

PLANNING DELIVERY GRANT 2005/2006 IMPLEMENTATION STRATEGY (NB. Figures are estimates)		
1. Back scanning archived planning files		
Back scanning of planning application files	Back scanning of planning application files. This is a continuation of an ongoing project. Approximately 3-4 years worth of back scanning of files has already been completed. Estimated annual cost £7500 pa. Sum of £30,000 represents cost of back scanning for previous 3-4 years files plus ongoing scanning for the current year.	£30,000
Ongoing scanning for planning portal	Daily scanning of planning application files for public viewing on the internet. This is a significant drain on existing admin. resources, and significant delays are sometimes experienced. Provision for the appointment of a part-time dedicated scanning assistant. (suggested 12-month contract reviewable in the light of future PDG awards).	£15,000
2. IT initiatives		
Web interface for existing planning application administration system	Presently the web interface is provided by the Welland On-Line system. Functionality is limited. Providing a robust two-way interface has been difficult, and inefficient. The existing supplier of the planning application administration system (Swift LG) has developed an integrated web-interface that will provide a more robust and sustainable solution. Cost of acquisition and implementation	£50,000
Implementation of outstanding 'Pendleton' criteria / web-development	One factor which contributes to PDG is compliance with Pendleton Criteria for e-gov compliance in the planning area. Provision to meet outstanding criteria; appeals details online, application progress monitoring online, view decision notices online, planning conditions online, fee-payment online, map linked to planning policy text. Development of planning web facilities particularly in relation to LDF.	£20,000
Display screens	Replacement flat screen VDU's within Planning	£5,000
Presentation equipment	Digital projectors and display equipment, to reflect increasing numbers of presentations and display equipment to aid LDF consultation	£5,000
3. External consultancy of service		
Management consultancy – 'peer review'	External peer type review by planning consultant to review development control processes / practices with a view to service efficiencies / improvements	£30,000
Diversity and Equality within Planning Services	Consultancy project to identify necessary actions to ensure equality of service delivery	£20,000

Arboricultural survey	Review of existing TPO's dating back to 1954, accurate verification and GIS plotting (also required to fully GIS enable Land Charges).	£30,000
Member training	Additional provision for specialist member training	£2,000
Stamford Car Parking Review	Consultancy project to identify future of long term parking solutions for the town.	£40,000
4. Replace existing furniture and improve accommodation		
Furniture	Provisional sum to upgrade workstations	£2,500
5. Input into LDF projects to help ensure that an up to date plan is available		
Grantham Town Centre Masterplan / Action Area Plan	Review and roll forward of Masterplan as contemplated in Draft Town Centre Action Plan. Masterplan to form the basis of Grantham Town Centre Action Plan which is included in the approved LDS.	£40,000
Stamford Action Area Plan	Preparation of an Action Area Plan contemplated in Draft Town Centre Action Plan and contained within the approved LDS	£40,000
Employment Land Survey	Partner document to Urban Capacity Study, necessary background document to LDF	£10,000
Developer contributions SPD	Contained within the approved LDS	£50,000
Retail Capacity Study update	Update of existing study necessary to reflect changing policy context, in particular Grantham's promotion as a sub-regional centre.	£35,000
6. Team development		
Team development	Across Development Control and Planning Policy & Economic Regeneration. Team development / service development event(s).	£20,000
Training	Additional training provisions for planning staff, including conference attendance (incl. Town & Country Planning Summer School)	£15,000
7. Future projects		
Bourne Town Centre Manager gap funding	Welland SSP part-funding of post now withdrawn after 3 years. Anticipated future funding via Bourne Core Area redevelopment; gap funding (50% of salary for 3 years) pending implementation of core area proposals	£30,000
8. District wide housing needs survey		
Housing needs survey	Authorised by Cabinet and in progress. Necessary background document to LDF	£110,000
Contingency	As the figures provided are at this stage estimates, a balancing contingency sum is included to secure the delivery of the above projects	£24,604
TOTAL		£624,104

3. COMMENTS BY THE DIRECTOR OF FINANCE AND STRATEGIC RESOURCES

The Director of Finance and Strategic Resources has been involved in the preparation of the report and agrees with its content.

4. RECOMMENDATION

The Cabinet are invited to endorse the Planning Delivery Grant Implementation Strategy for 2005/2006 as outlined in this report.

5. Contact:

Mike Sibthorp

Head of Planning Policy & Economic Regeneration

Richard Edwards

Development Control Services Manager

APPENDIX

Extract of minutes; Cabinet 11th April 2005

CO129. PLANNING DELIVERY GRANT ALLOCATION 2005/06

DECISION:

- (1) To note the ODPM's award of planning delivery grant of £569,559 to South Kesteven District Council for achieving Best Value performance Indicator Targets and for improvement in performance up to September 2004;
- (2) That the Cabinet's congratulations be conveyed to the staff of Development Control Services and the Development Control Committee for the hard work and effort put in to this achievement;
- (3) To endorse the development of a strategy for the investment of planning delivery grant into planning services and planning related projects based around the following key issues:
 - Back scanning archived planning files
 - IT initiatives
 - External consultancy of service (particularly administrative function)
 - Replace existing furniture and improve accommodation
 - Input into LDF project to help ensure that an up to date plan is available
 - Staffing issues (additional hours/use of short term consultants)
 - Future projects
 - Financing a district wide housing needs survey

Agenda Item 7

By virtue of paragraph(s) 7, 8 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

REPORT TO CABINET

REPORT OF: DIRECTOR OF FINANCE AND STRATEGIC RESOURCES

REPORT NO: FIN239

DATE: 8th August 2005

TITLE:	MEDIUM TERM FINANCIAL STRATEGY AND BUDGET PREPARATION 2006/07
FORWARD PLAN ITEM:	YES
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	16 JUNE 2005
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	FUTURE POLICY FRAMEWORK PROPOSAL

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	FINANCE PORTFOLIO CORPORATE GOVERNANCE
CORPORATE PRIORITY:	
CRIME AND DISORDER IMPLICATIONS:	N/A
FREEDOM OF INFORMATION ACT IMPLICATIONS:	N/A
BACKGROUND PAPERS:	N/A

Recommendations

1. To recommend the adaptation of the financial strategy as outlined in the report.
2. To prepare a response to the ODPM consultation document on Formula Grant Distribution for 2006/2007.
3. To adopt the approach to budget development for 2006/2007 and value for money framework outlined in the report.
4. To implement an effective budget consultation strategy for 2006/2007.
5. To review the purpose and amounts of reserves held.
6. To develop detailed options appraisal analysis of the impact of stock transfer on the General Fund.
7. To develop options for Council Tax setting for future years.

Introduction

1. The purpose of this report is to consider the updated medium term financial strategy for the period 2006/07 to 2010/11 and to examine the main influences on the budget preparation for 2006/07 and consider any changes necessary during 2005/06.
2. It reviews
 - (i) the issues raised in the MTFS presented in October July 2004 and their subsequent impact on the 2005/06 budget.
 - (ii) the position on reserves and balances.
 - (iii) the financial strategies and their appropriateness.
 - (iv) the main budgetary issues for 2005/06 and 2006/07.

Background

3. In preparing the existing MTFS the following were the main issues facing the Council.
 - (a) constrained financial settlement from the government, with limited ability to increase Council Tax.
 - (b) impact of job evaluation.
 - (c) protecting against the impact of significant rises in employers pension contributions.
 - (d) the bringing in-house of waste management.
 - (e) analysis of areas of cost rising at faster rates than general inflation - pay award and insurance premiums.
 - (f) acceptance of limited capital programme.
 - (g) the resourcing of priorities, finding savings and delivering efficiencies.
4. Over the past year the Council has made progress in all the above areas. In particular the financial management of job evaluation, forward financing of the likely impact of expected rises in employers pension contributions, tight cost control of the waste management function, development of sophisticated risk management strategy to help reduce insurance premiums, and the development of the capital programme to reflect Council priorities. The above was all achieved within a 4.95% rise in Council Tax and did not attract capping from the government.

Financial Strategies

5. In developing the likely expenditure/income profile it is important to have regard to the current financial strategies as approved by the Council.
 - 5.1 **Strategy No. 1 - That the Council must be prudent in making estimates of external funding from the Government.**
 - 5.2 In 2003/04 the methodology changes to the formula for grant distribution benefited the Council. In 2004/05 further changes to the grant system caused further difficulties in assessing the grant settlement, in particular the switch in funding source for housing benefit administrative grant from the ODPM to DWP. On a like for like basis the general level of grant received was a 2.3% increase; below the rate of general inflation. For 2005/06 the formula was more consistent than the previous 2 years, although the capping criteria was harsher.

5.3 Assessment of future levels of government grant is always difficult. The main indicator comes from the Spending Review 2004, where the Treasury publishes its spending plans for the period 2004/05 to 2007/08. The Treasury expects to see the Environmental Protection and Cultural Services (EPCS) block increase by 8% over that period. The table below puts that in perspective. The APSS block is the lowest increase for planned expenditure other than highway maintenance. This gives a clear message about the importance (or otherwise) about the services District Councils provide. Given the complexities of the grant distribution system and relative impact of headline census data I believe an annual figure of a 1% increase on a like for like basis is a prudent basis for financial planning.

	2004-5 £m	2005-06 £m	2006-07 £m	2007-08 £m	Change 2007-08 2004/05 %
FSS:					
Education	26402	27963	29863	31663	19.9%
Children's Social Services	3737	4016	4316	4516	20.8%
Adults Social Services	8690	9553	9933	10373	19.4%
Police	4355	4553	4768	4993	14.6%
Fire	1848	1898	1961	2035	10.1%
Highways Maintenance	2004	2054	2054	2054	2.5%
EPCS	11152	11217	11606	12040	8.0%
Capital Financial Costs	2802	3269	3599	3924	40.0%
Total	60990	64522	68099	71597	17.4%

5.4 The attached report FIN241, Appendix 1, highlights the key elements of the Missing Millions Campaign, Formula Grant Distribution and Business Rate Incentive Scheme. Since the Treasury has postponed the spending review by one year, it is likely the quantum of grant money will be largely unaffected from 2005/06, and the levels of general grant restricted. This ultimately means the interest receipts in the General Fund will be required to underpin the base level of revenue expenditure.

5.5 In terms of the impact the government has on the level of Council Tax and increase thereof, is dealt with under Strategy No. 8.

5.6 Strategy No. 2 - The Council should continue to review all of its services in relation to its corporate objectives.

5.7 The work carried out over the past year has been of vital importance in ensuring resources will follow priorities. This is a key issue identified by the CPA assessment and forms a key component of the Change Management Plan. The issue for medium term financial planning is to be able to release resources that have been secured from elsewhere.

5.8 Strategy No. 3 - Ensure that following approval of the budget, those officers responsible for delivering the associated work programmes deliver the outputs within the approved allocation.

5.9 This is achieved through comprehensive budget monitoring and adherence to the Council's approved financial regulations. Historically the strong control of corporate budgets has allowed the Council to be flexible in its approach to budget monitoring and delivery of new services. To further strengthen the current process, the service planning process will be aligned more closely to the budget process, with increased information being available to service managers regarding their service costs.

The early part of 2005/06 has been characterised by requests for additional funding, either by supplementary estimate or by virement. This is a departure from previous years and means action for 2006/07 and beyond must resolve this issue. In preparing for 2006/07, the budget process has begun at an earlier date. Proformas have been sent to Service Managers to link in with the Medium Term Financial Strategy development. The value for money assessment to be conducted under the 'Use of Resources' Judgement requires Services to be benchmarked against other Authorities' relevant service performance. It is therefore important that Service Managers take a medium term view of their service, bid for the appropriate realistic level of funding and operate within an approved allocation.

5.10 Attached to the report at Appendix 2 is briefing note on the value for money approach outlined in the Audit Commissions' 'Use of Resources' documentation. The Council has always strived to deliver value for money services, and must show evidence of the achievement. This will be done through the self-assessment process. Value for money needs to be embodied into the Service Plan development and owned corporately - by staff and members.

5.11 Strategy No. 4 - The Council must continue to find new sources of funding for its activity.

6. Government funding continues to be 'top-sliced' for specific projects. If the specific schemes link with the Council's priorities then bids should be submitted. The secured use of S106 agreements help to develop community assets with less reliance upon the Council's own resources. The recent bid for recycling from DEFRA is a good example of additional external funding for an identified Council priority.

Further examples include the receipt of Planning Delivery grant, useful for funding one-off initiatives and the Public Service Agreement (PSA) (Round 2) bid with the County Council where the District Council may receive performance reward grant if it can demonstrate achieving 'stretch' targets in line with the PSA. It is hoped that Service Managers will have built the achievement of these targets into their service plans. The medium term financial issues arising from additional funding streams are

- (a) if commitments are made that extend past the period or amount of grant funding what is the exit strategy for the service
- (b) or Service Manager need to integrate various funding streams into their programme delivery (i) be clear about the use and timespan of that funding, and (ii) be clear about the outputs required as a result of receiving that funding.

6.1 Strategy No. 5 - Optimising the financial return on the Council's assets and ensuring capital receipts are at required levels.

It is important that the Council commits to reviewing its asset base and the returns upon them.

The Council's Asset Management Plan should be the core document identifying those assets either not being fully utilised or those that are surplus to requirements. The Property Performance Management Group has operational responsibilities for evaluating any issues arising from the AMP and feeding them back to the Corporate Management Team and the Cabinet.

6.2 Strategy No. 6 - To improve Treasury Management performance.

The addition of the prudential code on borrowing has given the Council more freedom in managing its debt in relation to the capital programme. The current flexible approach to debt redemption and borrowing should be maintained. In terms of investment performance regular reports will be presented to the Constitutional and Accounts Committee.

This will be an important element within the value for money assessment. The Council has been repaying debts for a number of years and is left with a low level of debt but at 'relatively' high interest rates. If this is repaid early the Council will pay a premium for doing so, hence the current policy of repaying on maturity.

Given a requirement to have an enhanced capital programme the Prudential Code will be used to ensure the decisions made with regard to borrowing reflect affordability, sustainability and value for money. This will involve consideration of the following issues

- (a) Balancing investment income against new borrowing, ie may be cheaper to bring back investments to fund new capital expenditures
- (b) Leasing versus Buying Outright
- (c) Ensuring that the balance of investment between General Fund and Housing Revenue Account is well defined and analysis of the impact of changes to debt and investment structure on both funds. This is particularly relevant to the proposals on stock option appraisal.

6.3 Strategy No. 7 - To annually review the scale of charges for Council services.

New levels of charge often result from normal inflationary increases, statutory review of charges, best value service reviews or from new services being delivered. During budget development, the balance between who pays for local services, the user or taxpayer, needs to be reviewed.

6.4 Strategy No. 8 - The policy on Council Tax increases is that any increase should aim to be equal to the change in the retail price index. Any increase above this should include any identification of particular service objectives that the additional tax revenue would be used to finance.

6.5 This is an important area to be considered. During the budget preparation for 2004/05 the wide public consultation on priorities was coupled with discussion on future years Council Tax increases. Feedback indicated that reasonable increases in Council Tax are acceptable providing service improvements are visible. The 2005/06 budget consultation gave a similar conclusion, value for money was a key issue for consultees.

6.6 It is proposed to carry out budget consultation for 2006/07 through (a) joint public meeting with Police and County Council, (b) LAA, (c) through a budget survey with options being given. The latter item can target upon the spend, save and efficiency agenda items previously discussed.

6.7 Strategy No. 9 - All potential capital schemes are appraised and fed into the capital strategy.

The Council approved the appraisal process in 2003/04 and a revised programme in 2004/05. This has been will be incorporated into the medium term strategy and an updated programme for 2005/06, and beyond. The process must be flexible to deal with emerging or urgent schemes.

6.8 Strategy No. 10 - To maximise the financial viability of the Housing Revenue Account (HRA) within government guidelines.

The production of the 30 year business plan for the Housing Revenue Account as part of the stock option appraisal process has enabled full financial assessment of the HRA.

The only consideration in this report is the impact on the General Fund of a successful/unsuccessful ballot.

Estimated Budget Requirements - 2005/06 to 2009/2010

7 Given the national position on Revenue Support Grant and likely allowable Council Tax increases the following table presents the likely budget requirement for SKDC over the next 6 years. It includes Special Expense Area expenditure, since this forms part of the Council's expenditure.

Profile of External Financing 2004/05 to 2009/10

	2004/05 £000	2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000
Government Grant	7965	8368	8451	8535	8620	8706	8793
Council Tax - General Income	4115	4374	4592	4821	5062	5315	5580
Council Tax Income - SEA - collection fund	471	550	550	550	550	550	550
SKDC Budget Requirement	12551	13292	13593	13906	14232	14572	14923
Allowable Growth in Net Spend	-	-	301	313	326	339	351
Increase %			2.3	2.3	2.3	2.4	2.4

Assumptions

- (i) Government Grant increase - 1% per year
- (ii) Tax Base inc - 1% increase p.a. - no assessment of the impact of Council Tax Valuation.
- (iii) Council Tax - 4% increase p.a.

Impact on Financing of Services on Budget Requirement

8. Starting Position - 2004/05 Outturn

The final position for 2004/05 is now available. This shows:

- (a) an underspend at panel level of £573,000 against the revised position. This needs to be analysed to establish whether (i) commitments have been made but not spent, (ii) additional income received, (iii) poor budget management.
- (b) Interest receipts are over £1m for 2004/05. This is a direct result of limited capital programme, general underspending and a rise in interest rates over the year.
- (c) The General Fund Reserve has been increased to £3.3m, with a £1m specific reserve set up to cover the one-off costs of the Stock Option ballot.

The approval of service plans and budget development for 2006/07 need to ensure that the base budget approved for 2005/06 is being utilized properly and spending should be close to that budgeted. Otherwise there is a danger that increases in budget in priority areas will not take place because of 'hidden' budget capacity elsewhere.

It is proposed to review all of the specific reserves held and their appropriate levels as part of budget setting for 2006/07. I recommend a planned approach to their use, linking the fall in interest receipts likely to occur, with the revenue efficiency agenda. In particular, the use of the MRP reserve, Building Control Reserve and Insurance Reserve need to be reviewed for appropriateness.

- 8.1 What does this mean for Revenue costs
- 8.2 **These estimated budget requirements will need to deliver the resources for stepped improvements in the priority areas. The table at Appendix III provides an initial assessment of the impact of growth areas, efficiency savings and known liabilities, at this early part of the year 2005/06. The figures within the table are broad estimates that need to be worked into detailed estimates, when service plans have been received from Service Managers. An update on this table will be given at the meeting. This is very much work in progress identifying the likely spending scenarios over the coming years. A commentary on the key issues follows below.**
- 8.3 The model assumes that the identification of costs associated with the non-priority services will be realised. If the savings are not realised the budget requirements will remain higher than desired. Current analysis indicates that the savings identified for 2005/06 have been delivered and therefore reflected in the budget requirement. The targets for 2006/07 will much harder to achieve, and the commitment to achieving them needs reviewing. The position of Pest Control full cost recovery for 2005/06 will be difficult to achieve.
- 8.4 Gershon Efficiency Savings - the model only focuses upon the cashable savings - those that impact upon service delivery and real costs. I have assume that the Authority will re-invest cashable efficiency savings when they have proved they have been achieved. Thus the model shows efficiency savings accruing in one year re-invested in the next financial year.
- 8.5 The proposed re-organisation costs were £300,000 per annum. These would accrue from 1 April 2006. Nothing has been assumed for additional support for the three Strategic Directors.
- 8.6 It would be sensible to allow an increase in budget to deal with the Capacity issues facing the Council if it is not to slide back relative to other Council. This is necessary if the requirement of the Use of Resource Statement and CPA - The Harder Test are to be achieved.
- 8.7 The impact of stock transfer is crucial to the Medium Term Financial Strategy. If transfer went ahead in 2007/08, the projected capital receipt is £32m. Interest receipts of £1m per annum may accrue on the retained portion. The Council would need to watch the markets carefully because any downward movement in interest rates would have a big impact on the bottom line. It would be a good exercise to

analyse the purposes to which the receipt could be put, whilst retaining a minimum proportion to support the revenue account.

If stock transfer does not go ahead,

- (a) the cost of preparation for ballot etc would be a charge on the General Fund. Estimate £1,000,000 (one-off cost).
- (b) the separate identity/location of Housing Services means costs currently allocated from the Corporate Centre in terms of management and accommodation would fall back upon the General Fund. Estimate £250,000 ongoing.

8.8 I have assumed that a Leisure Trust will be set up and save the Council £150,000 per annum from 2007/08. Further analysis is required for this to be assessed.

8.9 The base-budget for 2005/06 included £500,000 for the new priorities. I have included the £250,000 per annum to reflect the re-cycling costs of green waste. One-off income of £150,000 falls out, and the delivery of 11,000 more bins will increase the revenue costs of the service. It is proposed the budget for 2006/07 should reflect the level of service being provided.

9.0 It is likely that some services will require additional funding to fulfil new statutory requirements, eg Travel Concessions. I have allowed a provisional sum of £100,000 per annum.

9.1 Supplementary estimates approved in 2005/06 funded from reserves, increase the budget requirement.

9.2 The Grounds Maintenance Contract is due for renewal in 2006/07. It is thought that the base-costs will rise by £400,000 under the new contract. Work is underway to ensure the increase is kept below this level by careful structuring of the contract.

9.3 Scale of Charges - some charges will need to be inflated above RPI in order to close the deficit between spend and tax income. This will be calculated when service plans are known.

9.2 The capital programme is now in place, decisions made will impact on the General Fund in two ways

- (a) Reduction in Capital Reserves - therefore less interest accruing in the General Fund
- (b) If borrowing is required interest payments will fall to the General Fund.

9.3 The model assumes that the identification of costs associated with the non-prioritisation of services will be realised. If the savings are not realised the budget requirement will remain higher than desired.

What does it tell us?

9.4 At the current time, the use of reserves whether requirement to find further savings are necessary. The following will be worked upon.

- (a) The starting budget requirement has consistently been greater than the actual expenditure incurred. This implies that an element of growth can be constrained within existing parameters.
- (b) The use of reserves will be expected for future years. They have been set aside for specific purposes and should be released in a planned way to help fund stepped changes in service improvement.
- (c) The funding gap could be closed by further increases in Council tax;
 - (i) by assuming full cost recovery in Special Expense areas
 - (ii) by a general rise greater than 3%. I would urge caution on simply financing expenditure by this method alone. Capping is a realistic government option and must be carefully considered by the Council.
- (d) Timing the investment in new areas with the release of cash savings.
- (e) Reviewing the impact of Stock Transfer on the General Fund.

Conclusion

- 9. At this stage in the development of the budget for 2006/07 and future years, I recommend a starting budget requirement of £13,593,000. If this cannot be achieved or other factors become relevant it will be reviewed and the impact on Council Tax assessed.

John Blair
Corporate Director of Finance and Strategic Resources
01476 406202
j.blair@southkesteven.gov.uk

REPORT TO CABINET

REPORT OF: DIRECTOR OF FINANCE AND STRATEGIC RESOURCES

REPORT NO: FIN241

DATE: 25 JULY 2005

TITLE:	MEDIUM TERM FINANCIAL STRATEGY
---------------	--------------------------------

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	
CORPORATE PRIORITY:	
BACKGROUND PAPERS:	A - Briefing Paper on - Missing Millions - Formula Grant - Business Rate Incentive Scheme B - Briefing Paper - Use of Resources - Value for Money C - Budget Consultation 2006/07 D - Medium Term Financial Strategy - Preparation 2006/07

Introduction

The purpose of this paper is to bring the Cabinet up to date on:

- (i) Missing Millions Campaign
- (ii) Local Government Settlement 2006/07
- (iii) Business Rate incentive Scheme.

A - Missing Millions

The Lincolnshire Group met last Tuesday and heard a presentation from Rita Hale on the analysis of Lincolnshire data used in the formula Spending Share (FSS) calculation used by the Government. The purpose of the research was to identify those areas the campaign should focus upon for 2006/07 and beyond.

The finding at District level

5 out of 7 Districts fare better than the average District Council. South Kesteven (£130.62) and North Kesteven (£130.17) have lower FSS per head than the average District (£134.62). the other 5 Districts range from £140.22 to £158.78; all well above average.

The main reasons for the variance are:

Sparsity and Deprivation indicators; Boston, Lincoln, East Lindsey and West Lindsey have deprivation elements, above the English average. South Kesteven has the lowest in Lincolnshire. Sparsity elements for East Lindsey, West Lindsey, South Holland and North Kesteven help their score. South Kesteven scores better on density, but overall the wealth of the area makes the main difference.

Linkages with the Region are important; 'East' Lincolnshire is lagging behind; in 2001 about 40% of the people in Lincolnshire lived in what are called 'lagging' rural areas, ie deprived of rural areas and that represented 67% of all people in the East Midlands who lived in 'lagging' rural areas in 2001.

Short-term

- (a) Consequences on funding of 100%. Central Government support for the schools' budget.
- (b) Impact of all FSS proposals.
- (c) Impact of Census data at detail level.
- (d) How do Ministers exercise 'judgement' - versus impact of new data.

Longer term

- (a) What is the cost of delivery services in rural areas, with deprivation.
- (b) Work with EMDA and other Regional Bodies (GOEM) for securing support to look at the issues of a growing older population.

South Kesteven - does not fit the model of Lincolnshire. But any additional funds for the County Council and Police Authority helps keep local services.

B - Formula Grant Distribution

Last Tuesday, the Formula Grant Distribution Consultation paper was issued. Running to 314 pages, including the exemplifications of the various options.

The key aspects for South Kesteven:

- (a) With the Treasury the spending review by one year the proposal is for a 2 year settlement for 2006/07 and 2007/08. since the Council Tax revaluation becomes effective from 2007/08, the 2007/08 settlement figure will be provisional.
 - (i) Need to lobby on spending pressures through LGA.
 - (ii) Identify impact of re-valuation.
- (b) Schools transfer
 - Consultation indicates this should be neutral for Districts.
- (i) Need to watch later to see whether quantum for schools increases.
- (c) Environment, Protective and Cultural Services (EPCS)
 - (i) District level EPCS and County level (EPCS) formulae are judgemental; given wide range of services difficult to apply statistical methods. Proposed to retain judgements but update for Census. No proposal to break block into single services.

4 options have been modelled:

- (1) Updated sparsity, density, net in-commuters and country of birth data from the 1991 Census to the 2001 Census.
- (2) Re-weight the density, pensioners on Income Support and Incapacity Benefit indicators with respect to moving from a half-fare statutory concessionary fares scheme to a free-fare scheme.
- (3) A customised transfer for critical ordinary watercourses by reducing local authorities FSS for own flood defence in proportion to the length of critical ordinary watercourses (COWs) while ensuring that every authority retains at least 25% of its FSS for own flood defence.
- (4) Updating the fixed cost element to £325,000 per authority from £3000,000 per authority.

The Impact of the above at SKDC on FSS

	£
Option 1	- 265,000
Option 2	+ 563,000
Option 3	- 14,000
Option 4	+ 10,000

(5) The specific consultation questions:

- (a) Do you think we should adjust the co-efficients for concessionary fares?

- (b) Do you think we should make any further changes to co-efficients; for example to take into account increasing expenditure on
- (c) Do you think we should update the fixed cost element.
- (d) Do you agree with the proposed method of transferring COWs to the Environment Agency?

Other changes

There are some proposals to amend the Capital financing formulae. This is mainly concerned with removing the interest receipts element from FSS. Since SKDC has significant balances, this change favours SKDC in all options exemplified.

Changes on the Grant Scale

Resource Equalisation - three options put forward. SKDC loses in two and gains in one.
Floors - three options proposed. SKDC gains in two and loses in one. We gain mainly in the model that 'damps' increases based on taxbase.

Important points

- (i) An increase in FSS does not lead to a £ for £ increase in grant.
- (ii) FSS does not indicate level of spending.
- (iii) Those above the floor pay for those at the floor through resource equalisation and scaling.

C - Business Rate Incentive Scheme

The final consultation was issued on Thursday. The basic scheme allows particular rises in the business rates tax base to be kept locally. The starting point is the Valuation List at 31 December 2004.

Early analysis of the South Kesteven position indicate

- (a) big difference in the RV quoted in the consultation paper to our records but based on our records.
- (b) £3000,000 may be received in 2005/06.
- (c) £6000,000 IN 2006/07.
- (d) £900,000 in 2007/08.

I shall firm this up later this week.

AUDIT COMMISSION**USE OF RESOURCES - BRIEFING NOTE FOR CABINET**

1. Guidance on the Use of Resources Self Assessment has now been issued. This assessment feeds into the next CPA. The scoring will be:
 - 4 - well above minimum requirements - performing strongly
 - 3 - consistently above minimum requirements - performing well
 - 2 - at minimum requirements - adequate performance
 - 1 - below minimum requirements - inadequate performance.
2. Each of the five areas will be scored. They are listed below:
 1. Financial Reporting
 2. Financial Management
 3. Financial Standing
 4. Internal Control
 5. Value for Money.
3. The use of resources assessment will be conducted annually. For 2005/2006 the self-assessment is due back by the end of September; audited by January and assessment issued by the end of March. In the first year the Auditor will score it on a direction of travel basis, ie we know where we are and we have action plans to move us to the next level. In the next CPA round a score of 3 is required if the Council is to achieve Excellence.
4. Increased emphasis is being placed upon the Value for Money self-assessment. This was an area of weakness in the first round of CPA that will be much more important this time around.
5. The definition for money is:

Value for money is high when there is an optimum balance between economy, efficiency and effectiveness - relatively low costs, high productivity and successful outcomes.

The IDEA has further extended this, 'optimum combination of whole life costs and benefits to meet the customers' requirements.

6. VFM will be judged using the following:
 - (a) community wide perspective
 - (b) gross costs
 - (c) local context and quality of service
 - (d) long term costs
 - (e) use of numerical data to start questions
 - (f) allow for local policy choices, in national context
 - (g) current judgement on VFM and how well it's managed for the future
 - (h) evidence of outcomes.
7. The self assessment focuses on
 - (a) currently achieving VFM
 - (b) manages and improves VFM.

Current Assessment, will rely on

- (a) costs comparing well with other allowing for external factors
- (b) costs commensurate with service delivery, performance and outcomes achieved
- (c) costs reflect policy decisions
- (d) keep it simple, use 'VFM'

Process of Assessment

1. Know level of local taxation and expenditure
2. Show how external factors affect costs
eg Rural Versus Urban
Old Versus Young
3. Show understanding of costs under control
 - Discretionary Versus Statutory
 - High quality does not necessarily mean high spending
 - Invest to Save
4. Finally link to Council Priorities/Customer Demands

Managing and Improving VFM

1. How to monitor and review VFM
2. Proof that VFM has worked and achieve gains
3. Procurement decisions take into account long-term costs (eg Stock Appraisal)
4. Evidence of VFM culture.

S.K.D.C. Position

1. Our score was 3 under the Use of Resources Assessment last time round.
The starting point is 2. The bar has been raised.
2. I will carry out a review of the 'bold' must haves. If we do not have them in place, we will need to put them in place. The advice from the District Auditor is do not waste time on finding evidence for something you do not do, spend the time on putting measures in place.

5. The Value for Money Assessment is a corporate issue. I saw the Service Plan/Budget Managers on Tuesday to explain the linkages and requirements between
 - Medium Term Financial Strategy
 - Use of Resources - VF Money Assessment
 - Service and Budget Planning
6. This is the top of my priority list over the coming months. Senior Managers and Resources DSP have been briefed.

TIMESCALES

MEDIUM TERM FINANCIAL STRATEGY	- AUGUST - CABINET - SEPTEMBER - COUNCIL
DRAFT SERVICE PLANS: MAJOR ISSUES	- END OF JULY
CABINET/MEMBER INVOLVEMENT - SERVICE PLANS	- JULY - AUGUST
EVIDENCE GATHERING - USE OF RESOURCES - VFM	- AUGUST
SELF ASSESSMENT SUBMITTED	- END OF AUGUST
SERVICE PLANS FOR BUDGET SUBMISSION	- MID SEPTEMBER
CABINET - BUDGET INVESTIGATION AND PRIORITY SETTING	- OCTOBER/NOVEMBER
SERVICE PLANS AND BUDGETS PRODUCED	- SEPTEMBER - JANUARY
CABINET PRESENT BUDGET	- FEBRUARY
COUNCIL SET COUNCIL TAX	- MARCH
DISTRICT AUDIT ASSESSMENT	- MARCH

POTENTIAL INFLUENCES ON DRAFT BASE BUDGET

	2005/2006 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000
Business Rate Incentive Scheme	(300)	(600)	(900)			
(Economies) Re-distribution of Savings - Target		200	200	200	200	200
Efficiencies Gershon Efficiency Savings Cashable	Included in Budget Requirement 2005/06	(252)	(252)	(300)	(300)	(300)
Cashable Efficiencies		252	252	252	300	300
Re-organisation costs		300	300	300	300	300
Impact of Stock Transfer - A			(1,000)	(1,000)	(1,000)	(1,000)
Impact of No Stock Transfer - B			1,250,	250	250	250
Impact of Leisure Trust				(150)	(150)	(150)
Priorities Additional Spend - recycling		250	250	150	250	250
Statutory Growth		100	100	100	100	100
Supplementary Estimate Approved	100					
Grounds Mtce base + Contract Increase		400	400	400	400	400
Scale of Charges inc above inflation		N/A	N/A	N/A	N/A	N/A
Revenue impact on Capital Programme		300	300	300	300	300

N/A = Needs Assessing

UPDATED TABLE WILL BE AVAILABLE AT MEETING

REPORT TO CABINET

REPORT OF: DIRECTOR OF FINANCE AND STRATEGIC RESOURCES

REPORT NO: FIN242

DATE: 8 AUGUST 2005

TITLE:	PROCUREMENT: ACTION PLAN
FORWARD PLAN ITEM:	YES
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	OCTOBER 2004
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	PROCUREMENT CURRENT POSITION STATEMENT APPROVED 06/09/04 KEY DECISION TO DEVELOP ACTION PLAN.

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	FINANCE PORTFOLIO: CORPORATE GOVERNANCE
CORPORATE PRIORITY:	
CRIME AND DISORDER IMPLICATIONS:	N/A
FREEDOM OF INFORMATION ACT IMPLICATIONS:	N/A
BACKGROUND PAPERS:	N/A

Recommendations:

1. To approve the IDEA health check summary action plan.
2. To use the IDEA to develop the Fitness Plan arising from the report.

Introduction

1. The IDEA health check is attached at Appendix 1. This was a useful independent check on the Council's attitude and approach to procurement.

Summary

2. The report highlighted the strengths of the Council's procurement practice and the areas of weakness. The lack of a dedicated procurement officer at the current time means the help IDEA can provide would be useful.

IDeA Procurement Fitness Programme

Visit to South Kesteven District Council 5th April, 2005

1. Introduction

The visit to South Kesteven District Council was part of a national programme of Procurement Fitness Checks (peer reviews) carried out by the Improvement and Development Agency (IDeA) at the invitation of the council's chief executive. The purpose of the Fitness Check is to identify current strengths and the issues that need to be addressed if procurement best practices are to be adopted.

The basis of the assessment was a 'benchmark' of procurement best practice. The benchmark includes the recommendations set out for councils in the *National Procurement Strategy for Local Government* (NPS) under the themes:

- Providing leadership and building capacity;
- Partnering and collaboration;
- Doing business electronically;
- Stimulating markets and achieving community benefits.

The IDeA developed the Procurement Fitness Programme as part of its contribution to *Towards a National Strategy for Local Government Procurement*, the LGA/ODPM joint response to the Byatt Report. The subsequent NPS advocates that every district council should have carried out a health check on their progress against the Strategy by 2006 – the Fitness Check satisfies that expectation. The Fitness Programme has the endorsement of the Chartered Institute of Purchasing and Supply (CIPS) and the Society of Procurement Officers in local government (SOPO).

The visit forms the first stage of the IDeA Fitness Programme, the second stage being continuing support to South Kesteven District Council in the development and implementation of a Fitness Plan to address the issues raised during the visit, and the third stage being a review of progress in approximately twelve months time.

The Fitness Check Team comprised two IDeA staff, namely, Melinda Johnson (Principal Procurement Consultant and your Relationship Manager) and Steven Locker (Procurement Consultant).

Kev Martin was the authority's co-ordinator for the visit.

The visit took place on 5th April 2005.

The Fitness Check comprised document analysis, telephone interviews, face-to-face interviews and diagnostic workshops. In all 17 interviews were carried out together with two workshops. The Fitness Check Team appreciates the contribution of all those members and officers who participated, particularly their frankness and openness. Appendix 1 lists the names of all those who contributed to the Fitness Check.

The findings, which follow, are presented under the four themes of the NPS.

2. Findings

Providing Leadership and Building Capacity

Strengths

- 1) The Fitness Check Team found an openness to embrace external challenge. This had previously included an IDeA Peer Challenge in September 2003 and a CPA Refresh by SOLACE in October 2004. The IDeA Procurement Fitness Check adds further external challenge.
- 2) We were pleased to learn that South Kesteven had completed a Best Value Review of procurement, using the Procurement Excellence Model, in 2002.
- 3) We were impressed to find that the council had designated an officer procurement champion and that an executive member, with procurement in his portfolio, had been appointed procurement champion. The IDeA has produced a discussion paper on the role of procurement champions which may be of use in the development of the procurement champion roles:
http://www.idea.gov.uk/procurement/procurement_champions_roles.pdf
- 4) The Fitness Check Team were delighted to find that the council had recognised the need to create a procurement resource and were planning to advertise for a procurement officer.
- 5) We were impressed by the council's lead buyer culture that had resulted from the Best Value Review of Procurement in that, for example, Property Services procures all hygiene requirements for the council and the ICT unit procures all ICT requirements on behalf of the council. However, we would encourage the council to review this approach in the light of the intention to appoint a procurement officer.

- 6) The Team were impressed that the council had received both half days of Member and Senior Managers' procurement training in February and March 2005.
- 7) We were pleased to find that the council had produced a corporate procurement strategy.
- 8) The Team were impressed to find that the council has developed a draft corporate approach to project management based on the principles of PRINCE2. We found evidence that the council has delivered large projects successfully, such as, the Meres Leisure Centre and the industrial site for Park Air.
- 9) We were encouraged to learn that portfolio holders are involved in procurement projects from the outset, for example, the Science Discovery Project.
- 10) The Team were pleased to find that South Kesteven has implemented a corporate approach to risk management.
- 11) We were pleased to find that a corporate performance management strategy has been implemented in the council.
- 12) The Fitness Check Team were encouraged to learn that the council is developing a mixed economy approach to service delivery and utilising a new formal market testing methodology; for example, waste management has recently been brought back in house, leisure is outsourced although the council is currently exploring leisure trusts, and recommendations for transfer of the housing stock are currently being considered.
- 13) We were encouraged to find some framework contracts in place, for example, for stationery and photocopiers.
- 14) The Team were pleased to find that the council uses price/quality matrices to assist with securing value for money.

Issues to Consider

- 15) We would suggest that the council adopt a wider strategic procurement management approach and embed that within its service planning. This would include the council mapping its procurement expenditure using a 'portfolio' approach (risk/value matrix) and developing appropriate strategies. From that South Kesteven should identify areas where procurement resources can have most impact, the appropriate skills and techniques for each type of procurement, the appropriate level of senior officer and member involvement, and the preferred procurement strategy.

16) The Team felt that the council would benefit from formalising the roles of members in strategic procurement management and the associated processes. Consideration could be given, for example, to how members can be more effectively engaged earlier in the process (defining the desired outcome), challenging the options appraisal, scrutinising the procurement processes, and in post-contract monitoring and management. In progressing this issue the council may find it beneficial to refer to both the *IDeA Members' Guide to Procurement* which is available for download from IDeA Knowledge at, <http://www.idea-knowledge.gov.uk/idk/core/page.do?pagId=187390> and the Centre for Public Scrutiny's briefing document, *Scrutinising strategic procurement* (which can be downloaded from <http://www.idea.gov.uk/procurement/cfps-procurement.pdf>).

17) The Team suggest that the council should develop a 'procurement approach' at the start of every major procurement project and integrate 'gateway reviews' into its draft project management methodology for major procurement projects as a means of controlling risk and ensuring accountability. We felt that the use of 'gateways' could provide a potential opportunity for the engagement of scrutiny in the strategic procurement process.

18) The Fitness Check Team suggest that there is a need to review and update the council's approach to Best Value Reviews. That review should reflect the Best Value and Improvement circular (ODPM Circular 03/2003), particularly with regard to workforce matters and incorporating procurement know-how throughout the Reviews. We felt there was a need to introduce a more transparently robust and rigorous approach to options appraisal during Best Value Reviews and procurement projects; qualitative and quantitative factors could be considered including risks, costs and benefits associated with a wide range of options. The Strategic Partnering Taskforce has useful guidance on options appraisals which can be downloaded from http://www.odpm.gov.uk/stellent/groups/odpm_localgov/documents/downloadable/odpm_locgov_027592.pdf We would also encourage the council to consider opportunities for introducing 'collective choice' in contracting¹.

19) We felt that the council should carry out a corporate procurement training needs analysis and develop a strategy for both members and officers to develop the associated competencies (the IDeA procurement skills framework could assist the council in addressing this issue (<http://www.idea.gov.uk/procurement/?id=skills>).

¹ The recently published NLGN report, making Choices: how can choice improve local public services? may be helpful in progressing this discussion.

20) The Team suggest that the council develop a procurement code of practice; we believe that this has a particularly important role to play in a devolved structure, such as that of South Kesteven.

21) The Fitness Check Team believe that the corporate procurement strategy should be developed to include detailed plans that are aligned with both the council's strategic objectives and the NPS. In particular, the procurement strategy plans should address:

- opportunities for further coordinated procurement within the council;
- sustainable procurement including social aspects;
- creating opportunities for SMEs and the 3rd sector;
- equalities;
- managing risk;
- collaboration with others;
- constructing excellence;
- e-procurement;
- efficiency.

22) The Team felt that there is a need to review and develop an appropriate governance structure for procurement. Whilst not wishing to predetermine the outcomes of that review, we would suggest that the officer procurement champion convenes a procurement board to provide strategic direction for the operational work of the lead buyer network known in the council as the 'procurement champions'. The procurement board would be responsible for further implementing the corporate procurement strategy, ensuring that roles and responsibilities are clear, best practice is adopted and that appropriate procurement skills and training are developed, and that gateways are embedded into strategic procurements.

23) The Team believe that the council should introduce a performance management system for procurement. The system should aim to have clearly allocated responsibilities and measures (strategy, major projects, purchasing and equalities). It should measure the effectiveness of procurement and include reporting and reviewing mechanisms that assist in targeting areas for improvement. The Audit Commission and the IDeA have published a library of local performance indicators for procurement which can be downloaded from <http://www.local-pi-library.gov.uk/library.asp>

24) The Team felt that systems to ensure compliance with internal and external requirements such as the EC Procurement Directives should be reviewed. It was a concern to the Team that existing systems, in general, may be too reactive and that a more proactive approach would be appropriate.

25) The Team felt that the council would benefit from developing procurement pages on its intranet to include all its tools and templates, terms and conditions, contracts register, procurement code of practice, lessons learned, etc., so that a repository of information can be developed for use by all those involved in procurement. We recommend that the council captures lessons learned from projects through end of project reviews and includes these in the proposed repository of procurement know-how.

Partnering and Collaboration

Strengths

26) The Fitness Check Team were impressed by the council's role in the Welland Partnership with whom the council has procured a CRM system as well as consultancy for ICT and housing strategies. South Kesteven has shared two trainee solicitors with the Welland Partnership and currently shares a Head of IT.

27) The Team were pleased to learn of South Kesteven's collaboration with North Kesteven and East Lindsey councils for the procurement of 360 degrees appraisal training, and its collaboration with Boston Borough Council on the procurement of equalities training and audit services.

28) We were impressed to find that South Kesteven supplies legal services to other neighbouring councils such as Melton Mowbray and Rutland; that the council provides emergency call-out services for South Holland and that it provides CCTV services to both North Kesteven and the hospitals trust.

29) The Team were pleased to find the council procures kerbside glass recycling from Peterborough City Council.

30) We were encouraged to learn that South Kesteven had sought best practice in collaboration on back office systems for revenue and benefits from Breckland Council, which it intends to use in a similar collaboration with South Holland District Council.

31) The Fitness Check Team were pleased to find that the council purchased its Housing Management System through OGC Buying Solutions S-Cat.

32) We were pleased to learn that South Kesteven is involved in the Lincolnshire Procurement Group as well as several other county-wide best practice groups, such as, the Lincolnshire Finance Officers' Group, Lincolnshire Personnel Group and Lincolnshire Waste Group.

33) The Fitness Check Team were pleased to find that the council is moving towards partnering by employing 'Perform 21' terms and

conditions and that it has a partnering relationship with its gas servicing contractor who is based on council premises enabling more flexible working.

- 34) The Review Team were impressed by the council's active involvement with the Regional Centre of Excellence (RCE), for example, a multi-project bid for funds has been made to the RCE through the Lincolnshire Finance Officers' Group (chaired by the South Kesteven Officer). An example of one of the proposed projects is a business process re-engineering project for South Kesteven and South Holland.

Issues to Consider

- 35) The Fitness Check Team believe that the council should explore options for efficiency gains through the further use of consortia and OGC Buying Solutions, whilst regularly checking that such arrangements continue to provide best value for money.
- 36) The Team felt that, conscious of the 2005 and 2006 NPS milestones, the council should calculate its baseline time from placing an OJEU notice to contract signature.
- 37) We would also encourage the council to set out its approach implementing 'Constructing Excellence'. The Team felt that the lessons learnt by the Rethinking Construction Beacon Councils may be helpful <http://www.idea-knowledge.gov.uk/idk/core/page.do?pageId=72123>. Should you want to identify how one of the Beacons may be of further assistance, please contact the Beacon's enquiry line on 020 7296 6587.

Doing Business Electronically

Strengths

- 38) We were encouraged to find that the council has an eagerness to learn more about e-sourcing, e-procurement and purchasing cards, and that the council has developed an e-tendering approach that has been used for three separate procurements.
- 39) We were pleased to learn that the council has set up an e-procurement project team and has arranged to see demonstrations of e-procurement systems. Similarly, we were impressed to learn that the council is undertaking a review of its procurement processes with a view to re-engineering them prior to the e-procurement implementation.

Issues to Consider

40) The council do not at present have an e-procurement strategy. The Team believe that such a strategy is fundamental in maximising the potential benefits of e-procurement and ensuring the most appropriate incremental approach. Equally, the Team felt that use of 'soft e-options', such as purchasing cards could be more fully explored. We would encourage the council to make use of the work of the NePP (the National e-Procurement Project) <http://www.idea-knowledge.gov.uk/idk/core/page.do?pageId=1002> .

Stimulating Markets and Achieving Community Benefits

Strengths

41) The Fitness Check Team were impressed to learn of how the council worked in partnership with a local firm, enabling them to continue to stay in the area and provide valuable local employment. The council procured a site for the firm and worked with them to design suitable buildings that they then leased from the council.

42) We were impressed by South Kesteven's intervention with the Youth Hostel Association (YHA) that enabled the youth hostel at Thurlby to remain open and provide valuable trade for local businesses. The council collaborated with the Welland Partnership and the county council to procure the building, which they now lease back to the YHA.

43) We were impressed that the council is adopting the Commission for Racial Equality's procurement guidance.

44) The Review Team were pleased to find that the council has involved tenants, from an early stage, in the options appraisal for the council's housing stock.

Issues to Consider

45) The Fitness Check Team encourages the council, in line with the recommendations of the NPS, to develop a voluntary sector compact.

46) The Team felt that there are further opportunities for the corporate procurement strategy to more explicitly address 'achieving community benefits'. The IDeA guidance *Sustainability and Local Government Procurement* <http://www.idea.gov.uk/procurement/?id=sustainable> may be helpful in respect of sustainability; as should the OGC/Home Office *Think smart*

... think voluntary sector!: Good practice guidance on procurement of services from the voluntary and community sector' which is available at http://www.ogc.gov.uk/embedded_object.asp?docid=1001957 - xml=pdf_hi?PAGE=23&DB=OGC&URL=http://www

- 47) We suggest that the council develop a comprehensive contracts register and publicise details of its procedures, forthcoming contracts and persons to contact regarding those contracts, on a section of the council's website aimed at suppliers (including SMEs and voluntary organisations).
- 48) The Fitness Check utilised a 'mystery shopper' exercise in which we took on the role of an SME trying to sell services through the council's website but were disappointed not to receive a response. The Team felt that, in line with the recommendations of the Better Regulation Task Force report *Government Supporter and Customer*, the development of SMEs to gain council business would merit attention <http://www.brtf.gov.uk/docs/pdf/smeprocurement.pdf>. We also encourage the council to sign up to the 'Small Business Friendly Concordat'
http://www.odpm.gov.uk/stellent/groups/odpm_localgov/documents/downloadable/odpm_locgov_035612.pdf
- 49) The Team felt that the council should consider the use of regular supplier surveys and structured 'internal customer' perception surveys to target areas for procurement improvement.

:

3. Summary

Based on our findings the Fitness Check Team concluded that the priorities for action in South Kesteven District Council are:

1. Develop the corporate procurement strategy and associated action plans to ensure timely achievement of NPS milestones;
2. Develop an e-procurement strategy;
3. Adopt a strategic procurement management approach including mapping procurement expenditure using a 'portfolio' approach (risk/value matrix) and developing appropriate strategies; adopting the strategic procurement cycle and gateway approach;
4. Clarifying further the respective roles and responsibilities of executive, scrutiny and officers in the procurement process (including, for example, definition of outcomes, options appraisal, contract management and gateway reviews);
5. Develop an appropriate organisational and governance structure for procurement to reflect the council's procurement needs;
6. Undertake procurement skills analysis for members and officers and develop appropriate training programmes;
7. Review systems to ensure compliance with internal and external procurement rules;
8. Develop a performance management system for procurement;
9. Sign the Small Business Friendly Concordat.

4. Next Steps

The IDeA welcomes feedback on this report. We would also welcome the opportunity to work with South Kesteven District Council on the development of a Fitness Plan which tackles the issues raised in this report and helps you achieve the best practice standard. Support with the development of a Fitness Plan is available at no cost from IDeA. Please contact Melinda Johnson, your Relationship Manager, (Melinda.Johnson@idea.gov.uk) if you would like to access this continuing support.

IDeA recommends that you review progress with the Fitness Plan in 12 months time and that you invite the Team back to assist with that process.

Melinda Johnson
Principal Procurement Consultant
IDeA
20 April, 2005

Appendix 1

IDeA PROCUREMENT FITNESS PROGRAMME **List of Interviewees/Participants**

South Kesteven District Council 5th April, 2005

Interviews

Alex Ahrens	Transport Officer
Chris Sharp	Corporate Manager of HR and Organisational Development
Cllr Bryant	Cabinet Member and Procurement Champion
Cllr Lovelock	Chair of Capacity and Resources Development and Scrutiny Panel
Cllr Neal	Leader
Cllr Nicholson	Chair of Economic and Cultural Development and Scrutiny Panel
Duncan Kerr	Chief Executive
Ian Yates	Corporate Director of Operational Services
Jackie Pantling	ICT Unit Manager
John Blair	Corporate Director of Finance and Strategic Resources
John Slater	Head of Leisure and Cultural Services
Lucy Joules	Solicitor
Nick Goddard	Corporate Manager, Democratic and Legal Services
Paul Stokes	Property Services Surveying Manager
Pauline Chadwick	Business Management Officer
Susie McCahon	Property Services Office Manager
Trevor Burdon	Property Services Design Manager

Officers' Workshop

Jackie Pantling	ICT Unit Manager
John Blair	Corporate Director of Finance and Strategic Resources
John Slater	Head of Leisure and Cultural Services
Lucy Youles	Solicitor
Nick Goddard	Corporate Manager, Democratic and Legal Services
Paul Stokes	Property Services Surveying Manager
Pauline Chadwick	Business Management Officer
Trevor Burdon	Property Services Design Manager

Members' Workshop

Cllr Bryant
Cllr Carpenter
Cllr Cartwright
Cllr Hurst
Cllr Martins-Mayhew
Cllr Neal (Leader)
Cllr Nicholson

REPORT TO CABINET

REPORT OF: CORPORATE MANAGER – DEMOCRATIC & LEGAL SERVICES

REPORT NO. DLS 40

DATE: 8TH AUGUST 2005

TITLE:	MONEY LAUNDERING, THE PROCEEDS OF CRIME ACT 2002 AND THE MONEY LAUNDERING REGULATIONS 2003
FORWARD PLAN ITEM:	N/A
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	N/A
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	N/A

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Corporate Governance Councillor Teri Bryant: Resources & Assets
CORPORATE PRIORITY:	Corporate Governance
CRIME AND DISORDER IMPLICATIONS:	Significant
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available via the Local Democracy link on the Council's website: www.southkesteven.gov.uk
BACKGROUND PAPERS:	Statutory regulations

1. INTRODUCTION

1.1 The Proceeds of Crime Act 2002 and The Money Laundering Regulations 2003 have recently come into effect and have implications for Local Authorities. The main implications or requirements for Local Authorities are as follows:

- (1) They must appoint a “nominated officer” to whom must be reported money (or other property) which involves the proceeds of any form of crime.
- (2) In addition, suspicions as to the proceeds of terrorism are also to be reported in the same way.
- (3) This officer must be aware of and implement the reporting procedures of The National Criminal Intelligence Service for Suspicious Transactions.

2. THE APPLICATION OF THE LEGISLATION TO LOCAL AUTHORITIES

2.1 Whilst the Money Laundering regulations are aimed primarily at the financial services industry and businesses which take money as a business or provide advice in this area, Local Authorities are considered to be a “relevant business” for the purposes of the regulations. Although this is very qualified and possibly an unlikely prospect the general national advice or guidance is that Local Authorities are subject to The Proceeds of Crime Act. Under those circumstances Local Authorities are required to appoint a “nominated officer” who carries out anti money laundering duties as required under The Proceeds of Crime Act.

2.2 Advice has been obtained by a leading professional advisor to Central and Local Government to the effect that responsible Local Authorities should respond to their duties under The Proceeds of Crime Act and consider developing a policy based on recommended best practice for Local Authorities.

3. RECOMMENDED BEST PRACTICE FOR LOCAL AUTHORITIES

3.1 Local Authorities should adopt a policy of not accepting any cash payments in excess of £10,000. This would avoid security issues around receiving such large sums of cash and secondly would avoid any potential issue arising as to whether the authority should register with HM Customs and Excise for “high value transactions” as defined by The Money Laundering Regulations.

3.2 Alternatively a Local Authority may stipulate a lower maximum limit for the acceptance of cash of its choice if the £10,000 limit is considered to be too high.

3.3 Or alternatively a Local Authority may stipulate a lower maximum limit for the acceptance of cash without requiring identification from a person (in which case it is necessary to decide by way of a policy what is acceptable as the

means of identification for such sums in excess of a stipulated figure but less than the maximum limit).

- 3.4 Advertise by way of Public Notices in the authority's cashiers' office as to the policy decided above.
- 3.5 Appoint a responsible officer to whom suspicions must be reported of cash or cheques or other forms of remuneration possibly involving criminal activity. This officer may be called the Proceeds of Crime Reporting Officer. Staff should also be clearly informed and trained as to the relevant legislative requirements that are relevant to the Local Authority's activities under this legislation.
- 3.6 Ensure that the appointed officer is fully conversant with reporting procedures to the National Criminal Intelligence Service.

4. ACTION PLAN & PROPOSED POLICY

- 4.1 Based on the recommended best practice in section 3 above the following Money Laundering Policy is suggested:-
 - (1) The District Council will not accept any cash payments in excess of £10,000.
 - (2) The District Council will only accept such cash payments on proof of identification of the person presenting the cash of a current drivers licence and/or a chequebook or cash/credit card and bank details.
 - (3) The policy to be advertised by way of public notices within the Council's Cash Offices.
 - (4) That a responsible Officer be appointed as the Proceeds of Crime Reporting Officer to whom any suspicions should be reported and who will be fully conversant with the reporting procedures to the national Crime Intelligence Service.

5. RECOMMENDATION

It is now clear that Local Authorities are subject to The Proceeds of Crime Act and is therefore recommended a draft policy based upon the recommended best practice set out in sections 3 and 4 above be approved and implemented as soon as possible.

Contact Officers: John Blair
Corporate Director of Finance and Strategic Resources

Nick Goddard
Corporate Manager Democratic & Legal Services

Lucy Youles
Solicitor to the Council